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☆ DEC 16 1946 ☆

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From The New York Times, December 2 -

PRICES OF COTTON STEADY FOR WEEK - Cotton prices held steady last week as traders seemed disposed to limit their commitments. At the close of trading on Saturday active futures contracts on the New York Cotton Exchange were 42 points higher to 9 points lower than the previous week.

Despite the unsettling influence of the coal strike, which brought in some early liquidation in the more distant deliveries, the market showed a tendency to move into slightly firmer ground during most of the weekly period. Although buying was not particularly aggressive at any time, demand was sufficient to absorb the relatively limited offerings until final dealings, when selling pressure increased as a result of pronounced weakness in certain outside markets.

The market derived its chief support from mill price fixing, scattered trade buying, and short covering. Meanwhile, underlying factors included the strong statistical position of the staple, the possibility that exports this season may run higher than initially anticipated, and the belief held in some quarters at least that a compromise agreement in the coal strike would be reached by the week-end. Sentiment was also influenced by the further sharp rise in the parity price for cotton as of mid-November.

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LARD EXPORT CURBS CUTTING DOWN SALES - Chicago - Production of lard is increasing, and although the demand continues active, especially for export, restrictions on the amount that can be sent to the various countries is having the effect of curtailing sales.

At the same time domestic buyers are not inclined to operate freely and some sales of refined in cartons were made last week at 28 cents a pound, compared with as high as 55 cents shortly after the Government eliminated price controls.

Cash prime steam lard was offered on the Board of Trade Saturday at 27.50 cents a pound and loose prime steam at 25.50 cents down 3 to 3½ cents compared with the preceding week. Stocks of lard at leading packing centers are accumulating to some extent and a good increase is expected for November. However, supplies in cold storage are unusually small for this time of year.

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BIG GRAIN RESERVE IS DUE NEXT YEAR - Chicago - General liquidation was on in the grain markets last week because of a sudden realization that there was more than sufficient wheat, corn and oats in sight to cover all domestic and export requirements and leave a bountiful supply for carry-over into the 1947-48 crop year. January wheat, which sold at \$2.18 in the previous week, broke around 17 cents a bushel from the top figure of the previous week, with a lack of support apparent on the way down.

A sudden slackening in the demand for cash wheat both from mills and the Government resulted in that commodity leading the decline, with premiums over futures fading away rapidly, especially in the Northwest, although Government restrictions on domestic milling operations were removed last week.

(Turn to page 2 for other items
in today's N. Y. Times)

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Farm Digest 2575-46

From New York Times, Dec. 2 -

WOOL MILLS GIRD FOR TARIFF FIGHT - Strong protests will be made by the National Association of Wool Manufacturers against any reductions in wool fabric tariffs, it was learned over the week-end. The organization is working on an exhaustive brief which will be filed with the Committee on Reciprocity Information in opposition to further tariff cuts. The brief will express the conviction that reductions made in 1939 will prove very serious to American manufacturers when British and Continental European mills get on their feet again. It will be supplemented by testimony of leading wool textile manufacturers at the oral hearings.

The State Department, according to Arthur Besse, president of the NAWM, "in its attempt recklessly to reduce tariff rates before ascertaining the results of reductions previously made, has given scant attention to the advice of industries primarily affected. Perhaps more serious consideration will be given to the attitude of foreign countries, which is indicated by their reluctance to leave their own markets vulnerable to the dumping of foreign surpluses, especially the surplus production in the United States."

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TYPES OF CARTELS LISTED IN SURVEY - Cartels reached the point just before the war where even in this country they controlled to some measure about 87 percent of the mineral products, including oil, 60 percent of the agricultural products and 42 percent of the manufactured products in international commerce, it is stated in "Cartels in Action," soon to be released by the Twentieth Century Fund

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From Wall Street Journal, December 2 -

BUMPER BURLEY CROP GOES ON THE BLOCK - Lexington, Ky. - Burley tobacco, the golden "blender" that sets American cigarettes apart from foreign brands, goes apprehensively to the auction block today.

By sunup, the 42 marketing towns in the Central South will start jamming up with farmers anxious to see what their 1946 crop of lugs, flyings, cutters, tips and nondescripts will bring.

For Kentuckians, the first auction day takes precedence even over the Derby. Burley is the state's biggest money crop and all eyes turn toward Lexington, the world's largest market, and a sort of Mecca in the Blue Grass from December to February.

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SUGAR SHORTAGE INQUIRY ASKED BY REP. WOODRUFF - Washington (AP) Rep. Woodruff (R., Mich.), called on the Republican Food Study Committee of the House to look into the sugar shortage, asserting the Administration has "let the American producers and consumers carry the load for other nations."

In a letter to Rep. Jenkins (R., Ohio), chairman of the committee, Rep. Woodruff said the total sugar supply for the United States for 1947 will be below that of 1946 despite increased production here and in Cuba.

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From the New York Journal of Commerce, December 2 -

COMMODITY PRICE LEVEL GETS FIRST POST-DECONTROL SETBACK IN REACTION OF FARM GROUP - The wholesale commodity price level experienced its first setback last week since OPA was swept away.

Continued, but rather scattered, advances in several industrial fields were not enough to offset a marked decline in agricultural and food prices.

As a result, The Journal of Commerce weekly price index -- based on 110 diversified commodities, declined from 158.4 to 155.9. Just prior to decontrol the index stood at 150.4 per cent of its 1927-1929 average.

The outstanding feature of last week's price movements were the declines in a number of scarce commodities which initially had scored hard price gains, such as hides, burlap, olive oil and turpentine.

While in none of these instances was the reaction as pronounced as it was in the case of meats following the initial decontrol boost, the reason behind it was very much the same -- buyers' resistance against peak prices.

It has now been clearly established that such resistance is one of the most effective price regulators in a free economy. . . .

Following considerable strength during the early part of the week, grain prices broke sharply during the final two days in one of the most pronounced trend reversals in any commodity group in recent weeks.

The spark that set up the reaction was Secretary Anderson's action in further relaxing grain use restrictions. While most of the grains for legal reasons are still held on the list of technically "scarce" commodities, there is no longer any doubt that the over-all supply outlook for the cereal grains is one of plenty.

The drop in grains was accentuated by a decline in the food group where declines by far outnumbered advances. Where seasonal factors no longer bolster food prices, the trend seems to be definitely toward lower levels.

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STABILIZED PRICES SEEN FOR LUMBER - Lumber prices will level off to a more stable and uniform range in the first quarter of next year, trade sources indicated yesterday.

Marked at the present time by wide differentials among sellers on the same trade level, the lumber market is expected to drop downward to a generally standard price range which will be set by the larger mills.

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HOG MARKET - Hog receipts at Chicago on Saturday were estimated at around 1,000 head with prices nominally at Friday's levels. Compared with a week ago prices for all weights and grades were \$1 higher. It was expected that Chicago receipts today will reach 23,000 head.

Western markets reported aggregate arrivals of 27,000 head, compared with 41,600 a year ago, making a total for the week of 396,800 head, compared with 527,300 during the same period last year.

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HIGH PRICES PREVAIL AT U.K. WOOL SALES - Liverpool - At last week's Bradford auction the 50,280 bales of Australian and South African greasy merino combing wools on offer were quickly absorbed. Competition was very strong and prices realized were firm on the basis of recent description sales in this country. It is estimated that the home trade took 70 per cent of the offering; continental buyers took the remainder. United States buyers were out of the market.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.) - - -

Farm Digest 2575-46-3

CANNED FOODS - Tuna packing operations on the Coast have been reduced to a minimum and the outlook for the balance of the year is exceedingly poor due to poor fishing results. Fair export sale of substandard peas for South America is reported at 90¢ a dozen.

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FLOUR - Removal of the curb on domestic flour distribution has not yet been reflected by any pick-up in mill offerings. Most mill offices were closed, but it is expected that prices will be adjusted downward today following sharp decline in cash wheat and rye markets.

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OTHER MARKETS - . . . Some freer movement in rice reported . . . Market from dried fruits in post-holiday doldrums . . . Easier prices for olive oil noted . . . Live fowl slow, weaker; dressed steady . . . White potatoes a little stronger . . . Apples dull.

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OTHER NEWS - . . . Public cold storage space seen ample for 1947 needs . . . Association of American Railroads urges grain interests to use open top hopper cars for moving grain during coal strike.

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DEMAND FOR COTTON SPINNING YARN AT RECENT HIGH LEVELS - Cotton yarn buyers with few exceptions are taking up all allotments being made by regular sources and at the prices asked; whether old ceilings, or at some slight advances, as is the case with an occasional spinner.

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RAYON TARIFF CUT OF 50% PROPOSED-Washington - Several tentative proposals for changes in tariffs affecting rayon are made by the Tariff Commission in a brief prepared for the reciprocal trade agreements hearings to be held in Washington early next year.

A 50 per cent reduction in duties payable on rayon filament yarns is being considered, the tariff commission study shows. If such a duty reduction is made, it is pointed out, the minimum specific duty would continue to apply to imports of all single yarns finer than 150 deniers, except those valued over 90¢ a pound.

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WHAT HIGHER PRICES WILL DO, Editorial - Price policy is the most immediate and pressing problem facing numerous industries today. With costs rising, many price rises are inevitable. But the amount of the increase, and in some cases the question whether to raise prices at all, involve many considerations. Higher prices discourage consumption. Where existing demand largely exceeds the supply, this is not of immediate importance because the demand even at the higher price will absorb the entire output for some time to come. . . .

Other disadvantages in raising prices as far as the traffic will bear, or even as far as historical mark-ups on present higher costs justify, are that a basis is laid for future heavy inventory losses both to producers and distributors, arguments are given labor unions for seeking new wage increases, and, where raw materials and semi-manufactures are concerned, a pyramiding of price advances to the ultimate consumer occurs that exaggerates the effect upon demand. Farm Digest 2575-46

From Miami (Florida) News, Nov. 17 -

FLORIDA FARM BUREAU DEMANDS DRASTIC CHANGES IN WAGNER ACT - Outright appeal or complete overhaul of the Wagner national labor relations act was demanded by delegates representing more than 6,500 members of the Florida Farm Bureau Federation as they ended their annual convention here yesterday. In a resolution demanding that the congress scrap the existing labor relations laws, the farm delegates charged:

The past 14 years "have been an era of pro-union laws and pro-union boards so biased and unfair that impartial justice can be restored to employer-employee relations only by the repeal or drastic overhaul of the Wagner national labor relations act and the ousting from government labor agencies of men whose decisions are uniformly pre-formed in favor of the union and against the employer."

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From Boston (Massachusetts) Herald, Nov. 23 -

EXTRA! PRICE BITES DOG, Editorial - When a group of farm producers asks the government to remove the support price on their product at a time when such support might seem needed, that is news. The Associated Poultry and Egg Industries have petitioned the Secretary of Agriculture to lift the minimum price formula in this branch of agriculture. The Steagall amendment requires the government to support prices on various basic farm commodities; usually at 90% of parity, until two years after the declaration of the end of the war.

The APEI finds, however, that the effect of the support price is to encourage production in excess of domestic requirements. In the interest of a stable industry, they want prices to be controlled by the free play of demand and supply. This is a refreshing attitude. Maybe it's natural to look to the farmers, traditionally devoted to free enterprise, for sanity in economic matters.

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From Minneapolis (Minnesota) Tribune, Nov. 22 -

LACK OF FARM PLAN SCORED BY THATCHER, Millmar, Minn. - A 100 billion dollar agriculture industry is facing the future totally without planning or price protection, M. J. Thatcher, general manager of Farmers Union Grain Terminal association, told Minnesota Farmers Union members here Thursday.

Thatcher charged that even government promises to maintain floor prices at 90 percent of parity for the next three years may hit a snag.

"During those three years--Republican years--how can we expect huge appropriations to maintain those floor prices and at the same time cut Federal appropriations and income tax 20 percent," Thatcher said.

"The answer is: No one knows," he told the convention, "What are 6,000,000 farmers with that 100 billion dollar industry going to do during the next three years--sleep or plan to protect themselves?"

The planning must be by farmers well-organized to effectuate prices that consumers can pay he declared. There is no need to raise crops without a market and that market is governed by what the people desire and their ability to buy, he added.

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From Nashville (Tennessee) Banner, Nov. 20 -

BRIDGES AND SUGAR, Editorial - Hawaii being a territory of the United States (it wants statehood now), Harry Bridges has felt free to tie up its sugar industry--thus curtailing by 200,000 to 300,000 tons the American supply for 1947. Fortunately for America, under such circumstances, the bulk of our sugar supply comes from sources to which Bridges does not feel free to apply his peculiar talents.

Cuba's sugar supply is relatively close by. It is doubtful that the Cuban government would permit Bridges to invade that field. Anything he does to paralyze it would necessarily occur between Cuba and the U.S., or in the U.S. He doesn't fear reprisal on the part of a government that has tolerated his antics since he became, as an alien, the nation's No. 1 undesirable alien.

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From Wilmington (Delaware) News, Nov. 25 -

STRANGE DIVIDEND, Editorial - It would not surprise us in the least if nutritionists of the Department of Agriculture are proved right in their belief that the better eating habits Americans acquired during wartime will carry over into the years of peace. It happened so after World War I and there is good reason why it should happen again.

To some it may come as a new idea that Americans did acquire better eating habits while the nation was at war. And the statement does seem paradoxical at first glance. But the nutritionists explain that rationing and price fixing made it possible for more people to get more nourishing foods, such as milk, leafy green and yellow vegetables, and fruit and tomato juices. And they have records to prove that the opportunity was not wasted.

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From Nashville (Tennessee) Banner, Nov. 20 -

KILGORE CITES FARM ROLE IN RECONVERSION - A multi-billion dollar farm market for industry to "cushion the shock" of reconversion and prevent another depression was visualized this afternoon by Ben Kilgore, of Springfield, assistant manager of the Eastern Dark Fired Tobacco Growers Association, in the mechanization of agriculture, which is "bringing about a peaceful farm revolution."

Speaking before the Tennessee Farm Bureau Federation's convention, Kilgore warned, however, that "with modern farm machinery the farm population has dropped to 18 percent of the national population" and predicted that this figure would drop to 15 percent by 1950. The farm minority's only hope, he asserted, is "organization to serve them in the fields of legislation, marketing, credit, hospitalization and rural electrification."

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From Portland (Maine) Press Herald, Nov. 23 -

N.E. DAIRYMEN LOSING TO WEST - New England is fast losing the Eastern dairy products market to the Middle West, Frank L. Foley, Scarborough, creamery executive told the South Portland Kiwanis Club Friday.

"The butter and cheese market is practically gone," said Foley. "Twenty years ago it was very rare to see milk from the Middle West in New England metropolitan centers. Today many dealers have regular contracts with dairymen in Wisconsin, Illinois and other distant states."

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 4094. Phone Gene Harrison at 6031.)

From New York Times, December 3 -

U.N. FOOD RESOLUTION VIRTUALLY ADOPTED-Lake Success-Despite the introduction of four Russian amendments, of which two were voted down and a third was modified, a five-point resolution on measures to alleviate the 1947 food shortage was virtually agreed on in today's meeting of the Economic and Financial Committee of the United Nations General Assembly.

Emphasizing that equitable allocation and prompt distribution of available supplies must be free of political considerations, the resolution urged Governments and international agencies concerned to adopt or continue measures aimed at overcoming the deficit in bread, grains, rice, fats and oils, dairy products, meat and sugar.

The Soviet amendments sought to emphasize opposition to the use of food as a political weapon, the danger of inflationary prices and the need for the construction of small factories to produce farm implements in countries needing them.

The Soviet amendment on the construction of agricultural implement factories was sent to the drafting subcommittee.

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TOBACCO WITHDRAWN AT LEXINGTON SALE-Louisville-An estimated 50 to 60 percent of tobacco sold at Lexington as the 1946-47 burley auction season opened today failed to return floor prices and resulted in at least two warehouses stopping sales for brief periods to consider the price trend.

Prices paid in early sales were estimated by warehousemen at 25 percent below the opening day at Lexington last year, when an average of \$49.03 was registered. The trend at Lexington, world's largest loose-leaf sales center, usually carried a good indication of the general trend.

The same conditions were reported at some of the other Kentucky markets which opened amid uncertainties connected with the coal shortage, surplus manufacturers' stocks and the biggest burley crop in history.

Tobacco failing to bring floor levels was consigned to the Burley Tobacco Growers Co-operative Marketing Association for resale.

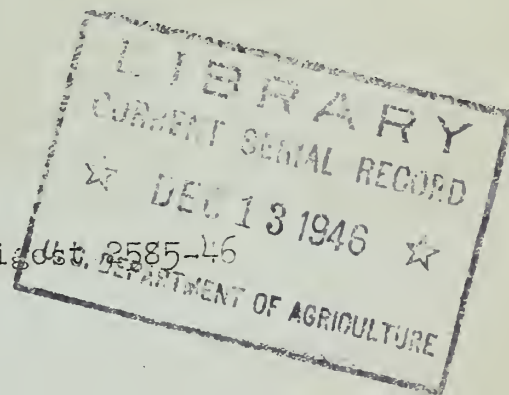
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HEDGING AND COAL STRIKE CUT COTTON PRICE-The coal strike situation and an accumulation of hedges over the weekend carried cotton futures downward yesterday on the New York Cotton Exchange. Final prices were 37 to 67 points net lower.

(Turn to page 2 for other items in today's N.Y. Times.)

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Farm Digest



From New York Times, Dec. 3 -

PEPPER FUTURES AGAIN TRADED--Trading in black pepper futures was resumed yesterday on the New York Produce Exchange. The market had been closed since July 1, 1946.

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DECONTROL OF SUGAR AT THIS TIME IS OPPOSED AS COURTING 'DISASTER'-- A strong stand against both decontrol of sugar and any firm commitments on allocations of 1947 sugar supplies at this time is urged on members of Congress and the Administration by the sugar committee of the Food Industry Council in an analysis of the world situation on sugar, released yesterday. Asserting "decontrol under present conditions would be disastrous," the report adds that if it is necessary to make interim or emergency allocations to foreign countries, such allocations should be for minimum amounts only.

Based on experience immediately following World War I, the report declares the price of sugar would have violent fluctuations if sudden decontrol were initiated. "Retail sugar prices skyrocketed from 11 cents a pound in December, 1919, to 27 cents in July, 1920," it was pointed out. "Similarly, the wholesale price of sugar rose to 21.56 cents in July, 1920, and then crashed to 4.80 cents in January, 1922, causing institutional and industrial users to lose thousands of dollars on sugar inventories. This wholesale price spread then on the annual basis, approximated \$1,500,000,000."

The report recommended that the transition from control to decontrol be gradual and orderly and carefully planned by the Government and businesses having to do with the purchasing, refining and distribution of sugar. It also urged the United States to do everything possible to encourage increased production in Continental and Territorial areas while providing all possible help to European beet growing areas and to the Philippine sugar industry.

The United States should also point out to the Cuban Government the desirability of distributing to its sugar industries the increase in price that Cuba is now receiving from us as an incentive for maximum production in 1947 and 1948, the report states.

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GRAINS OVERCOME EARLY WEAKNESS--Chicago--Grain markets closed strong on the Chicago Board of Trade after showing weakness early when there was commission house pressure and professional selling on uncertainty as to the Government support program.

Closing trades were about the best prices of the day with wheat $\frac{1}{2}$ cent lower to $1\frac{1}{4}$ cents higher, the latter on July. Corn finished $\frac{5}{8}$ to $\frac{7}{8}$ cent higher and oats were up $\frac{1}{4}$ to $1\frac{5}{8}$ cents, December leading. Barley closed $\frac{1}{2}$ cent higher to $1\frac{1}{2}$ cents lower. Kansas City wheat futures were $\frac{1}{4}$ to $2\frac{1}{8}$ cents higher and Minneapolis $\frac{1}{2}$ to 2 cents lower. Cash wheat in the latter market was off 2 to 3 cents, but Kansas City showed fair strength with the basis steady to $\frac{1}{2}$ cent higher, compared with the late trading Saturday.

Talk of lower flour prices prevails as the result of the decline in cash wheat last week, and indications that the Government will be unable to ship as much wheat by lake as anticipated due to the early strike of lake seamen and shortages of box cars.

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From the New York Journal of Commerce, December 3 -

SHARP PRICE RISE LIKELY FOR SHOES - A 15 to 20 per cent increase in shoe prices may be forthcoming in the near future unless raw material costs decline from their present high levels, the National Shoe Manufacturers' Association disclosed yesterday.

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HIDES OFF LIMIT IN FUTURES MARKET- The general weakness apparent in the commodity futures markets swept into the Commodity Exchange yesterday, bringing hide prices down to new low levels.

Dropping 165 to 200 points, hide futures suffered the most severe price decline since the reopening of trading a few weeks ago.

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FLA. CITRUS CARRYOVER WELL ABOVE NORMAL, Lakeland, Fla., - Ben C. Potter, vice president of the A. C. Neilsen Co., which is employed by the Florida Citrus Commission to make surveys of the national market, reports that as of Nov. 1 the total stocks of canned citrus juice from last season's pack in all producing areas were estimated at 17,000,000 cases, or an excess of about 7,500,000 cases above normal supply.

Mr. Potter also reported canned juice sales for the August-September period down 13 per cent from the June-July period, a "seasonal" condition which followed general market trends.

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WORLD SUGAR CLIMBING - World sugar production in 1947 will approximate 31,858,000 tons, compared with 34,544,000, average in 1935-39. The Food Industry Council, in view of this increase and especially because of the sharp rise in areas supplying the United States, recommends that allotments to households be increased by 10 pounds and industrial use from 60 to 80 per cent in the last three quarters of 1947.

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CANNED FOODS - An increasing number of buyers are requesting canners to withhold shipments of many canned food items due to scarcity of storage space and slackening demand in retail quarters. Some easing in salmon supplies, meanwhile, is held likely as foreign claimants balk at high prices.

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FLOUR - Price situation in flour is somewhat confused, with some mills slashing prices following sharp break in cash wheat and others holding prices unchanged. Irrespective of prices, little business is possible as most mills have tremendous order backlogs. Export demand remains heavy.

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OTHER MARKETS - Traders awaiting decline in egg prices . . . Cheese prices here follow decline on Plymouth exchange . . . Butter firm and higher . . . Market for live broilers very slow . . . Heavy young tom turkeys higher, hens declining . . . Tomatoes off further . . . Strawberries lower . . . Supplies of rice reported easing . . . Demand for olive oil slackening . . . Dried fruits demand in slump. (Turn to page 4 for other items from - - - today's N. Y. Journal of Commerce.)

TRADE FACTS SEEN HURTLING U. S. FARMS! - Holman Hits State Dept. Policy,

Syracuse, N. Y., (AP) - Charles W. Holman . . . secretary of the National Co-operative Milk Producers' Federation, disapproving tariff reductions, tonight described the United States trade agreement law as "a cross upon which American agriculture will be stretched and nailed."

"The State Department is working overtime to so ball-up present trade agreements with foreign nations that it will take years for succeeding administrations to remedy the damage to American farmers and industrial labor," Holman said in an address prepared for the tenth annual banquet of the Metropolitan Co-operative Milk Producers' Bargaining agency.

NEXT YEAR'S COTTON CHOP-Editorial - Farmers intend to plant 26 per cent more acreage to cotton in 1947 than they did last year, the Department of Agriculture reports. Such an expansion of acreage would be a logical sequel to the advance in the price of raw cotton. The New York spot quotation, even after the recent market break, is more than 25 per cent higher than it was a year ago. Should these intentions to plant be fulfilled and should the yield improve somewhat because of better weather and a larger labor supply, a crop of some 11,000,000 bales may be harvested. Would a crop of this size prove large relative to the indicated demand? . . . It is probable that total demand for American cotton will suffice to absorb a crop of 11,000,000 bales next season without adding materially to the carryover. Nevertheless, the market is skeptical about maintenance of this season's price level.

From the New York Wall Street Journal, December 3 -

FARM COMMODITY PRICES drift lower over a broad front.

Wheat has tumbled some 20 cents a bushel in the past week. About 13 cents has been nipped from the price of corn in the same time. Wholesale eggs in Chicago have dipped two cents a dozen in seven days. Hides that were quoted at 35 cents a pound not long ago have been hammered down to 28 cents by buyer resistance. Lard recently selling as high as 55 cents a pound now brings about 28 cents. Cotton slipped a dollar a bale Saturday; lost about three dollars yesterday. As textile mill coal stocks decline, so does millmen's interest in buying cotton. At least a third of farm staples are now selling below "parity." . . . Further declines will bring calls for help under the Government price support program, designed to peg prices at not less than 90% of parity.

THE RICE SHORTAGE will remain critical throughout the world in 1947. This season's world harvest is indicated some 10% above the last. But it will be well below the 1935-39 average. Millions in the Orient depend on rice as Americans depend on wheat. Heavy exports from the U. S. harvest can be expected to continue -- with skimpy stocks on grocery shelves resulting.

INTRA-RED HEATING may replace smudge pots for protecting citrus groves from frost. An infra-red heating machine developed by the Michigan State College of Agriculture will do a frost-proofing job at an hourly cost of 75 cents an acre. This is the effective radius of the oil burning, aluminum fluted machine.

From New York Times, Dec. 1 -

REPORT FROM THE NATION - The Northwest - High Food Prices Cause Scant Sympathy for Coal Strike, Portland, Ore.- Even in strongholds of organized labor, scant sympathy for the coal strike has been evidenced in the Pacific Northwest. General regional hostility to labor troubles is considered a dominant reason why many sawmill towns and railroad division points, in the past heavily committed to the New Deal, voted Republican recently.

Ever since the steel strike, it has been apparent that many consumers attributed soaring living costs to labor's demands. This showed up November 5 when Seattle, a citadel of trade unionism, cast the heaviest vote given to a Republican nominee in Washington State's First Congressional District in more than two decades.

Fear over inflation seems much greater than over a possible deflation. Deflation is not yet a prevalent topic. But the high cost of living is discussed on every curbstone. Housewives complain that grocery bills take so much money that nothing is left over. Food prices in particular trouble the average family.

Pacific States - General Public Voices Fear Other Strikes Threaten, San Francisco - As seen through the eyes of the West Coast, the legal sparring between John L. Lewis and the United States Government was high drama this week, but the man in the street held an academic view of the coal strike. It interested him little, from the standpoint of his own comfort, for this essentially is not a region that burns bituminous coal for heating purposes.

The Man in the Street seems prone to wonder, at the same time, whether management and labor leaders with the interest of the country at heart might not be able to avert some of the strikes which he fears are just around the corner.

He notes that the family food bill in San Francisco last month was 29 per cent higher than a year ago, in Portland 23 per cent higher and in Los Angeles 24 per cent higher. He is sympathetic with labor's demands for wage rises sufficiently to keep up with the rising living costs; although he looks at original demands, then at negotiated wage contracts containing considerably lower figures and wonders how much of the original demands represented "excess" over "expectations."

MECHANIZED FARMING-Editorial-One of the unexpected gains for our peacetime economy from the lessons of war was revealed recently at the National Tractor Meeting of the Society of Automotive Engineers. Studies were described to members on laboratory tests of soils and vehicles, made with the aid of the society's soil-testing committee, which begin where former soil research ended and ultimately are aimed to include soil characteristics all around the world. Experts conducting these tests, who are attached to the Ordnance Research and Development Center at Aberdeen, told the engineers that tests already have revealed important new facts with regard to the behavior of both military vehicles and farm equipment. It has been found that traction is influenced more by the sheer strength of the soil than by any other characteristics; that the cleaning ability of the track or the tire is not nearly so important as had been supposed and that traction does not increase proportionately with the increased weight of the vehicle.

The meeting learned that tractors are becoming more and more versatile and that increased cooperation between tractor and implement engineers constantly augments the ease and speed of farm work as compared with either men or horses.

From New Orleans Times-Picayune, Nov. 28 -

RICE AND SUGAR CONTROL-Editorial-Representative Paul Maloney's inquiry at the department of agriculture on the possibility of higher sugar prices and the decontrol of rice has brought a reply to the effect that both commodities are in short supply and no policy change is immediately anticipated.

Only politicians, we believe, have questioned the sugar scarcity. By the purchase of the Cuban crop and distribution controls the government has managed to keep consumers' needs partially supplied. Domestic sugar producers and mill operators, however, have a legitimate interest in seeing that the controlled price of sugar, keeps pace with the average of other farm prices.

Rice definitely is not in the same "shortage" category as sugar. Louisiana, Texas, Arkansas and California have been producing twice as much rice as the United States consumes. If there is anything resembling a domestic shortage, it exists by reason of the government "set-aside" of 40 per cent for export and off-shore shipment.

The rice industry advisory committee to the government is said to feel that control should continue for a time. But whether it should or not, does not change the fact that rice has been singled out by the government for treatment different from that accorded other farm commodities. It will be interesting to see how long the government yields to the inclination to keep the rice industry under thumb just because it's easy.

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From Memphis Commercial Appeal, Nov. 28 -

UNANIMOUS VOTE OF NEW YORK COTTON EXCHANGE MEMBERSHIP DEFEATS NEW REGULATIONS-The indignation of the membership outside the city of New York must have influenced the vote of the entire membership of the New York Cotton Exchange Tuesday.

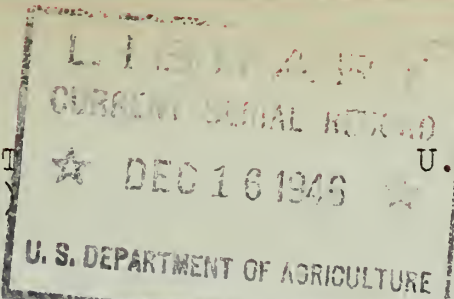
When the membership met to vote on rules changes which would have limited credits, stiffened margin requirements, required sworn affidavits from legitimate hedgers, and other things, the following resolution was passed unanimously:

"Whereas it is the sense of this meeting that it does not approve of the report of a special committee which on November 18, 1946, the Board of Managers referred to the Committee on Bylaws and Rules, therefore be it resolved that the proposals in question be and hereby are referred back to the Board of Managers with the request that it take no further action unless and until instructed by a general meeting of members of the New York Cotton Exchange."

The representatives of the New York, New Orleans and Chicago Exchanges have scheduled a meeting in New Orleans on December 6 at which the views of the membership of the various exchanges, the shippers and the merchants, the farmers and the ginners will be sought. The same set of new regulations will be discussed then, but there seems little likelihood that they will be adopted, even after the discussions.

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DAILY FARM NEWS DIGEST
(For December 4, 1946)



U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Dec. 4 -

FREIGHT TRAFFIC, PARCEL POST, RAIL TRAVEL CUT-Washington-A general embargo on rail freight shipments, with the exceptions of essential commodities and supplies, effective at 12:01 a.m. Friday, was ordered today by the Government to conserve the country's dwindling supplies of bituminous coal.

Three additional restrictions were decreed by the Government, acting through the Office of Defense Transportation, because of the mine strike. These were:

The Postoffice Department limited, as of 12:01 a.m. Friday, parcel post packages to five pounds in weight, eighteen inches in length and sixty inches in length and girth combined.

Movement by rail or freight shipments destined for export overseas was embargoed by the Association of American Railroads, effective at midnight tonight.

The recently imposed 25 percent reduction in rail passenger mileage performed by coal burning locomotives was increased to 50 percent. The further curtailment in service will become effective at 11:59 pm Sunday.

LA GUARDIA ASSAILS RELIEF PLAN OF U.S.-Fiorello H. La Guardia attacked last night as slow and unwieldy the plan proposed by the United States to the United Nations for an organization to succeed the United Nations Relief and Rehabilitation Administration, of which he is director-general.

Moreover, Mr. La Guardia said, the United States plan would cost this country next year about \$500,000,000, as against about \$196,000,000 under what he called the "international plan," which he submitted to the United Nations last summer. He said UNRRA cost this country \$1,300,000,000 this year.

WHERRY INSISTS ARMY COULD SUPPLY RELIEF BETTER THAN UNRRA-Vienna-Senator Kenneth Wherry, Republican of Nebraska, left tonight after a three day visit.

He said his investigations in the European theatre had more than ever convinced him that the Army would make a better job of supplying food and rehabilitation goods than the United Nations Relief and Rehabilitation Administration had ever been able to do. During a quick side trip to Prague he got some first hand reports on the UNRRA's operation there and the general problem of requests for financial and other assistance that had been made for the coming year.

(Turn to page 2 for other items
in today's N.Y. Times.)

From New York Times, Dec. 4 -

DAIRY GROUP OPPOSES LOWER MILK TARIFFS-Syracuse-Dairy leaders in the New York milkshed took a firm stand today against any new foreign trade agreements that would lower tariffs, and asked for trade law protection of milk and milk products.

The action was taken by delegates attending the annual meeting of the Metropolitan Cooperative Milk Producers Bargaining Agency, Inc., which claims forty seven cooperatives in New York, Pennsylvania and Vermont as members.

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DISTILLER BUYING STRENGTHENS CORN-Chicago-Buying of corn futures in the last few days has been in connection with sales of the cash article to distillers. Local handlers confirmed over 500,000 bushels had been sold in the last two days and that bids were in the market for additional quantities.

Although it was not known generally that there had been a big business in cash corn, professional sentiment was more bullish than recently and prices moved up around 1 cent in the early trading on the Board of Trade today. The best figures were not maintained due to selling in anticipation of the embargo on export freight that was issued later in the day. Closing trades were $\frac{1}{2}$ to $\frac{5}{8}$ cent higher a bushel than Monday's close. Wheat had a range of 2 cents and finished $\frac{1}{8}$ cent lower on January and $\frac{3}{4}$ cent to $1\frac{1}{8}$ cents higher on the deferred deliveries. Oats were $\frac{1}{2}$ cent higher to $\frac{1}{8}$ cent lower and barley was unchanged to $\frac{1}{4}$ cent higher.

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COTTON MARKET UP 28 TO 49 POINTS-After some irregularity early, the cotton futures market on the New York Cotton Exchange rallied yesterday and closed steady at net gains of 28 to 49 points.

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REPORTS PRICE RISE IN FOOD AND CLOTHING-Washington-Food and clothing prices on Nov. 26 were an average of 1 percent higher than they were the week of Nov. 11, the Labor Department's Bureau of Labor Statistics reported today.

The advance in food prices between Nov. 12 and Nov. 26 was led by butter, poultry and canned fruits and vegetables, according to the bureau's food study in twelve cities. Clothing prices, as checked in four cities, showed rises of from two tenths of one percent to 3.3 percent.

Butter prices went up in all cities reported, but no prices of more than \$1 a pound were found. Chicken prices rose in seven cities at a time when there is usually a seasonal decline, the highest price rise, of seven cents a pound, occurring in Los Angeles.

Canned peach prices rose in ten cities, canned tomato prices in eight cities. Fresh green beans rose sharply in nine cities and canned green beans also increased. Egg prices were higher in seven cities, topped by Boston where consumers on the average paid $6\frac{1}{2}$ cents more a dozen eggs at the end of the week than at its start. Clothing price increases were largely for such scarce articles as men's suits, men's business shirts and shoes. Hosiery also advanced as a result, the Labor Department said of higher ceiling prices granted to manufacturers during the last month of price control.

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DAILY INDEX GAINS SLIGHTLY AS COTTON, FOODS ADVANCE - The commodity price level rose slightly yesterday, gathering strength from advances in raw cotton, and food prices.

Gaining .5 points for the day, The Journal of Commerce daily index rose to 261.9. . . .

Cotton futures advanced 28 to 50 points on the New York Cotton Exchange. . .

Highlighting the advance in the food group were: Butter, up 2¢; cocoa, up 27 points.

Limiting the rise in this group was the continued decline in lard prices to 26¢ a pound.

Wholesale meat prices were steady for the day but live stock at the primary Chicago market displayed mixed price movements. Hogs dropped 25¢ to 50¢ in a weak market, which paid daily top of \$25 sparingly. Cattle, however, rose 50¢ to a top price of \$33.50 for good and choice grades.

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COTTON PRODUCTION FOR 1946-47 ESTIMATED AT 8,447,000 BALES - In its final forecast of cotton production for the 1946-47 season, The Journal of Commerce estimates production in the United States at 8,447,000 bales of 500 pounds gross weight each. This indicates a drop of 232,000 bales, or 2.7 per cent, over the month of November, according to reports from a selected list of correspondents in all cotton States. Compared with the Government's Nov. 8 report, the new low estimate for the season shows a reduction of 40,000 bales, or 0.5 per cent.

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DECLINE IN HIDE FUTURES CHECKED - Hide futures staged a partial recovery of 25 to 60 points on the Commodity Exchange from the 200-point decline of the previous day.

Trade sources saw the advance as a "necessary" adjustment correcting the "excessive" losses inflicted by the previous day's break.

While the market closed strong, finishing on or near the highs for the day, trading continued light. Contracts totaled 36 or 1,440,000 pounds.

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RAPID STRIDES MADE IN FUNGICIDE PRODUCTS - Tremendous strides in insecticides and fungicides have been made in the last few years. This has been due, in large part, to the urgent wartime needs of the armed forces in contending with the extreme conditions of tropical jungles.

Damage by or from all forms of micro-organisms and fungal growth substances -- including mildew -- and all forms of sucking, chewing, biting, boring and other insects can be reduced to a minimum through careful use of new aids.

By the use of a new milk-like rubbery chemical (derived from sulphur and petroleum), an active spray against insects and fungi is formed. When sprayed on, its rubber-like base allows the protective film to "grow" with the plant, resisting dew and rain.

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LINSEED OIL - No further allocations of Argentine linseed oil have been made to crushers. Meanwhile the spot position of the market remains firm. Although oil is not being offered in the open market, it is believed that some crushers might possibly entertain bids at quoted prices and some replacement oil may be had for use in paints.

(Turn to page 4 for other items from today's N. Y. Journal of Commerce)

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From the New York Journal of Commerce, December 4 (Cont.) -

SOYBEAN SUPPLIES - World soy bean production for 1946 will be 534,300,000 bu., compared with 543,200,000 bu. in 1945 and a prewar average of 459,800,000 bu. This increase is accounted for largely by the increase in North American output, although China's crop is only slightly smaller than prewar.

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SUGAR EXPORTS CONTINUE - Sugar will not be affected by the export embargo. Atlantic Coast refiners are still filling orders against previous allocations . . . One sugar company urges that we had better not let go of sugar controls for another year. Continuation of Seatrain service to New Orleans would help to offset Cuba's sugar bag shortage in 1947.

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CANNED FOODS - Sharply lower prices are named for citrus products from Florida while Texas canner announces opening prices on grapefruit juice and segments. Hawaiian pineapple packer also names prices on his products.

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FLOUR - Further downward adjustment in wheat flour prices is braked by continued weakness in millfeeds, thus preventing flour prices from showing fully the effects of the losses in wheat values . . . Mill offerings continue limited, and mainly for distant shipment.

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COFFEE - Coffee is slightly firmer with cost and freight offers about 1/4¢ a pound above the previous close. Futures give up early gains to end about unchanged.

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OTHER NEWS - Receipts of live poultry well-cleared . . . Trade in dressed poultry slow . . . Further weakening of lettuce values . . . Strawberry arrivals gaining . . . Butter firmer . . . Swiss cheese inquiry fair . . . Market for eggs steadier . . . Activity in black pepper subsides . . . Distributors offering Persian dates.

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From the New York Wall Street Journal, December 4 -

PLANTS MUST SHUT DOWN - MILLIONS TO JOBLESS AS RAIL FREIGHT IS BANNED - The Government has chosen to bring quick paralysis to American industry -- doomed otherwise to shrivel slowly for lack of coal.

The railroads have enough coal on hand to handle normal loads for perhaps 27 more days. But they were ordered to stop hauling most freight for export as of last midnight and the great bulk of domestic freight tomorrow night. (For details of the Interstate Commerce Commission embargo order see page 2).

If these edicts are not weakened by sweeping exceptions, the United States will be isolated from world commerce; each section of the nation will be isolated from others; much of American industry, which is geared to operate with almost miraculous integration, soon will stand idle.

From St. Paul Pioneer Press, Nov. 28 -

FARM, LABOR, BUSINESS MUTUAL AID HELD VITAL - Winona, Minn.-Facing definite declines in both prices and income in 1947 and thereafter, agriculture will need support of both business and labor in its efforts to protect its economic position and maintain its productivity, Alfred D. Stedman, associate editor of the St. Paul Pioneer Press and Dispatch, said in an address to the Winona Rotary club here Wednesday.

Business will need the backing of high agricultural productivity and good farm income in order to prosper in the future, Stedman said, and labor is intensely interested in continued abundance of food. Any decline in labor influence in Washington, he said, must not mean that labor is to be depressed to lower wage or employment standards. Maintenance of agricultural and business prosperity in the United States near their present levels, he asserted, is possible only on the basis of high level employment for labor at good wages.

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From Reno Gazette, Nov. 22 -

STIFLING CONTROL BY GOVERNMENT HIT BY SPEAKER; FARMERS TOLD TO ORGANIZE AND OFFSET LABOR-Stating that the stifling government controls of farmers and small businessmen is forcing the United States into conditions paralleling those existent in prewar Germany, George H. Wilson, director of the American Farm Bureau federation today told the delegates to the Nevada state farm bureau's annual convention that the hope of the nation lies with the county's farmers.

"Governmental controls will kill agriculture and throttle the small businessmen if we let them continue," he said.

Mr. Wilson also condemned the strangle hold held by labor groups upon industry and government, and said that with the unions in power in opposition to the best interests of the consumer, labor itself is among the losers.

He asked that an organization of farmers should be formed to counteract the pressure policies of labor.

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From Chicago Defender, Nov. 30 -

PLAGUE OR BLESSING; FARM LABOR BOWS TO MACHINES-Despite the fact that Agriculture Department estimates say five million farm workers will be replaced by mechanical cotton pickers and other modern equipment in the South during the next five years, many leaders, Negro and white, feel that mechanized farming will be a blessing to the Southern Negro.

Most base their opinions on destruction of the near slave status of Negroes under the plantation-sharecropper system, which mechanization bids fair to eliminate. Throughout the cotton belt, educators, businessmen, publishers and farmers see a boon in any change which will break the hold of land-lords on Negro workers.

Less clear are their ideas of what will become of displaced labor. Demonstrations have already proved that a mechanical picker can do the work of 75 workers. Although the new machines have not appeared in volume in the South, an excellent forecast is given by the effect of tractors and flame cultivators, which have already displaced thousands of workers.

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From San Francisco Chronicle, Nov. 22 -

SUGAR TOO LONG DELAYED-Editorial-With nothing but sugar to ration, the San Francisco district office of OPA is advising applicants for sugar stamps that it will take 10 days to issue them a new ration book or replace a lost or mutilated book. Actually, the OPA says, a citizen gets his book in three or four days, as a rule, but to play safe and avoid disappointment he's told it will take 10.

Whichever it is, 10 days or 3 days, it is too long. The transaction should be more expeditious. OPA officials say they are under-staffed to handle the huge volume of sugar-ration applications which has fallen upon the district office since the abolition of the last of the local OPA boards. This suggests need of correction in Washington. Here is one case where persons should be added to, not subtracted from, the government's pay roll. A citizen should not be compelled, by under-staffing, bad national planning, or any other cause, to wait three or four days for the stamps he needs to buy necessary food.

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From Nashville Tennessean, Nov. 26 -

HEIGH-HO FOR OLEO-Editorial-Margarine is behind the tax eight-ball because butter had enough political friends to protect it from cheap competition. Margarine will get from behind this ball by winning enough friends to remove the punitive federal and state taxes raised against it. Manufacturers of margarine should bear that in mind as they ready themselves for another try in the Eightieth Congress. Skyrocketing prices of oleo, coming at a time when cotton is on the skids and soy oil is no more than holding its own, are not the best means of making friends and influencing people.

On the basis of sheer economic justice, there can be nothing said in defense of the federal tax of ten cents a pound on colored oleo. The dairy interests did not improve their case by running butter out of reach of millions--for ninety-five cents a pound does put butter out of reach of most of the nation.

Margarine behavior in this instance reflected no higher generalship. In 1939 butter was selling for twenty-six cents and oleo for nine cents. Under price control they were about double the prewar figures. When butter ran wild, oleo promptly went into hiding and reappeared in due time at forty-six cents. What has been said of butter may be said of oleo--it can stand on its own merits if it remains within the price reach of the great body of consumers.

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From Watertown Times, Nov. 25 -

SURPLUS POTATOES AVAILABLE TO FARMERS FOR STOCK FEED, Pulaski-Area farmers are now obtaining surplus potatoes for livestock feed from Oswego county potato growers, J. Fred Bradford, chairman of the agricultural conservation committee, said today.

Livestock feeders pay 20 cents a hundredweight for the surplus potatoes and get the potatoes from the growers' farms, Mr. Bradford added.

Interested farmers should contact the agricultural conservation office.

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DEC 16 1946
(The newspapers and magazines from which these agricultural items are taken are on file in Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Dec. 5 -

MEN TO STAY OUT, LITTLE HOPE FOR MORE FUEL-Pittsburgh-With industrial plants shutting down throughout the country under the impact of the coal shortage and its attendant railroad freight embargo, coal operators admitted gloomily that they saw no immediate hope for getting the miners back to work.

LA GUARDIA OFFERS FOOD COMPROMISE-Lake Success-F. H. La Guardia, Director General of the United Nations Relief and Rehabilitation Administration, revealed today a last-minute compromise on his original proposal for the creation of a \$400,000,000 emergency food fund to solve the 1947 food crisis after the UNRRA goes out of existence at the end of the year. His original plan was categorically opposed by the United States, which favors bilateral arrangements for the handling of relief in the future.

His compromise proposal modified his original plan by substituting for the food fund an emergency food board with three principal functions. These would be:

- (1) To review the 1947 needs for financing food imports to the extent that they cannot be met by other means after the UNRRA's end.
- (2) To make such recommendations of financial assistance as might be required to meet the needs existing as a result of foreign-exchange difficulties that cannot be dealt with by existing agencies.
- (3) To inform Governments as to the allocations of resources that they make available for relief purposes on the basis of need and free from political considerations.

ORR PLAN SEEN DOOMED-Washington-S. F. Bruce, chairman of the preparatory commission of the United Nations' Food and Agricultural Organization, indicated today that proposals for a world food board were considered too impracticable and its objectives might have to be achieved "by a slightly different route."

Mr. Bruce's statement was the first semi-official admission that recommendations by Sir John Boyd Orr, director general of the FAO, for an international agency for aiding the production and distribution of food and stabilizing prices had been virtually abandoned by the FAO commission meeting here since October.

DEMAND U.S. ACT ON SUGAR SUPPLY-Washington-Three men representing twenty-one sugar consuming industry associations today presented a petition to Clinton P. Anderson, Secretary of Agriculture asking return of United States sugar supplies to prewar level. The sugar leaders were Harold O. Smith of the National Confectioners Association, J. M. Creed of the American Bakers Association and O'Neal M. Johnson of the National Association of Ice Cream Manufacturers.

(Turn to page 2 for other items - - - -
in today's New York Times.)

From New York Times, December 5 -

CANNED FOOD USE GAINS-Philadelphia-The nation's consumption of canned foods has nearly doubled since 1941 and is mounting steadily, Fred A. Stare, president of the National Canners Association, said today.

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SUGAR RATION FIGHT ENDS; OPA DAIRY AGREE TO DISMISSAL OF ORDER PERILING PROGRAM-Washington-Justice Jennings Bailey of the Federal District Court dismissed today a temporary restraining order which in effect, would have abolished the Office of Price Administration's sugar rationing program.

Justice Bailey dismissed the order by mutual consent of Maple Leaf and the OPA after they reached a settlement out of court.

The dairy head complained that OPA's allotment of sugar ration stamps on a historical basis was discriminatory.

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U.S. CHAMBER OF COMMERCE GROUP BACKS TARIFF RISE FOR THE PROTECTION OF FARMERS-Washington-The possibility that tariffs on agricultural products will have to be raised soon to protect American farmers from unfair competition was suggested today by the Agricultural Committee of the Chamber of Commerce of the United States.

"At no time in the last hundred years," the committee reported, "have conditions been so favorable as at present for an expansion of the import trade particularly in competitive agricultural products.

"These favorable conditions may mean that the time is not far distant when the traditional policy of the United States with reference to protection for agriculture may undergo more or less substantial modification."

The danger of imports impairing living standards in this country may be further aggravated by impending negotiations of further tariff cuts, as authorized by the Trade Agreements Act, the committee suggested.

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GRAIN MARKET LED BY JANUARY CORN-Chicago-Buying of January corn by cash and elevator interests was accompanied today by reports that the Government was in the market for additional supplies of that grain for shipment from the Atlantic Coast. These followed purchases at the Pacific Coast said to have been 600,000 bushels of shipment to Japan and Korea.

The price of January corn was lifted 2 cents a bushel in early trading today on the Board of Trade. Later hedging pressure developed and with profit-taking caused a reaction, with the close $1\frac{1}{8}$ cents higher. The deferred months were unchanged. Wheat was nervous within a fair range and closed $1\frac{1}{8}$ cents lower to $\frac{5}{8}$ cent higher. Oats were $\frac{3}{4}$ cent higher to $\frac{1}{8}$ cent lower. Barley finished unchanged to $\frac{1}{4}$ cent lower.

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PRICES FLUCTUATE ON COTTON MARKET-Fluctuating over a fairly wide range due to the uncertainty over the coal strike developments, the cotton futures market on the New York Cotton Exchange closed yesterday 20 points higher to 2 points lower than on Tuesday.

From the New York Journal of Commerce, December 5 -

SENSITIVE PRICE INDEX FIRM - The commodity markets displayed mixed price movements under the pall of uncertainty cast upon the industrial picture by the unresolved coal strike.

While the over-all tone of the commodity price level was firm, sharp losses in hog prices at Chicago sufficed to limit the advance in The Journal of Commerce daily index to .2 point. The index for the day was 262.1.

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CHAMBER SAYS IMPORTS OUTLOOK BEST IN CENTURY, Washington (AP). - A United States Chamber of Commerce report said today that conditions for increased imports, particularly in competitive farm products, are more favorable than at any time in a century.

Prepared by the chamber's agriculture committee, the statement said it is possible that such products as butter may be imported from Europe before the shortage there is alleviated in order to provide European purchasing power for other commodities.

The committee cited a report that Holland exporters recently arranged for a shipment of potatoes to Brazil when potatoes were awaiting shipment to Europe from this country.

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SACCHARIN PINCH TO LAST 6 MONTHS - With supplies at their lowest point since before the war, no substantial relief for the shortage of saccharin, sweetening agent and substitute for sugar, is foreseen by manufacturers and dealers in less than six months.

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NAVAL STORES - The unpredictable Savannah gum turpentine price rose 4¢ yesterday from 1.29 per gallon to 1.33 per gall f. o. b. Southern shipping point. Large New York dealers point out that the previous high price of 1.50 $\frac{1}{4}$ did not bring large quantities of turpentine on to the market. They feel that good-sized stocks are still being withheld but make no predictions as to what price will be necessary to draw these holdings into the open.

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HOG MARKET - Closing hog prices at Chicago were mostly 50¢ to 75¢ lower. One load obtained \$24.80 but the practical top was \$24.65, compared with .25 the previous day.

Salable receipts in that market amounted to 10,000 head, while direct consignments aggregated 6,000 head.

The principal Western markets received 81,400 head, compared with 96,000 a year ago, making a total for the week to date of 317,800 head, compared with 276,000 during the same period last week and 310,500 for the same period last year.

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FROZEN FOOD CAMPAIGN - The National Association of Frozen Food Distributors urges an over-all frozen food industry promotion and educational program to push sales of frozen foods, and suggests that an initial "kitty" of \$1,000,000 would not be too much to start with in view of proposed packs of 500,000,000 pounds of fruits and vegetables alone in 1947.

From the New York Journal of Commerce, December 5 (Cont.) -

FUTURES REGULATION ASKED BY FARMERS -Mangum, Okla., - Establishment of a permanent national organization to regulate trading in futures on cotton exchanges and boards of trade was urged in resolutions passed at a regional meeting of the Oklahoma Cotton Growers Association Nov. 30 in an effort to prevent another cotton market break.

A special committee is scheduled to meet Dec. 14 to draw up a constitution, and by-laws for the national organization which is expected to include cotton, corn and grain producers.

The resolutions adopted Saturday were:

That the Departments of Agriculture and Justice be asked to make a thorough investigation of cotton exchanges and board of trade to determine actual trading in futures markets; and that an effort be made to determine if high Government officials and members played the market.

That Congress pass legislation placing all control of cotton exchanges and boards of trade directly under the supervision of the Department of Agriculture, that the number of bales of cotton or bushels of grain sold in any one day by one trader be limited and that fluctuations be limited to \$2 a bale for cotton or $\frac{1}{2}$ ¢ per bushel on grain.

That the Secretary of Agriculture immediately write a new parity formula, taking in the rising cost of living and production, with a recommendation that 92½¢ per cent of parity be 30¢ per pound for 15-16 inch middling cotton.

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FLOUR - Flour values exhibit more stability on firmer cash wheat markets, continued heaviness in mill feeds and dislocations of production schedules resulting from the scarcity of boxcars.

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OTHER MARKETS - Live broilers stronger despite slow movement . . . Greater stability to tom turkey market reported . . . Quality of eggplants lowered by cold snap . . . More liberal cheese supplies . . . Eggs irregular . . . Butter higher but trade slow . . . Small purchases of Arriba cocoa reported . . . Black pepper supplies ease as several steamers arrive . . . Some raisin prices reported easing.

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OTHER NEWS - The American housewife controls the nation's food habits, which have changed rapidly during the past few years, NCA's Carlos Campbell tells Tri-State Packers . . . Early payment for November milk asked by market administrator.

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From the New York Wall Street Journal, December 5 -

END OF PRICE CONTROLS IS SAVING TAXPAYERS BILLION IN SUBSIDIES-Washington - The passing of the great era of "subsidies" is plunking a billion or more dollars back into Uncle Sam's pocket. . . . The biggest surgical operation on subsidy expenditures comes with the passing of price control. In the O.P.A. extension act passed early this year Congress authorized a billion dollars in subsidies just to help the price controllers control. At least \$800 million of that will now never be paid out. . . .

The case of meat is the star example. In the 1946 fiscal year, Congress set aside a neat sum of around \$700 million to subsidize meat.

But meat, though most publicized, wasn't the only food that cost taxpayers millions under the subsidy program. Over \$560 million was appropriated for dairy product subsidies in the past fiscal year. Flour subsidy funds came to \$215 million. Now these are gone with the wind.

From Atlanta Constitution, Nov. 29 -

FARMERS WILL SUFFER UNDER GOP RULE-Editorial-Sen. Dick Russell has most adequately refuted professed spokesmen of Southern farmers who have been chortling over the recent Republican congressional victories.

Some of these self-anointed messiahs, even the ones who for years have been running on Democratic tickets, have opined openly that GOP control will be a good thing for farmers, even though they live in the solid South.

Sen. Russell thinks otherwise. And with good reason and precedent.

"We have oftentimes had things to complain about under the Democratic administration, but under it the Southern farmer had a much better deal than can reasonably be expected under a Republican administration," he told the Georgia Farm Bureau Federation recently in Macon. "For example, the sectional crops of cotton and peanuts have fared better in national legislation than they are likely to fare in the next two years. Under the Democrats, the commodity loan on cotton was fixed at 99½ percent of parity, a higher rate than was allowed any other crop. It will be difficult to hold such advantages in the future."

Let Southern farmers not be fooled.

However much the cause for complaint under Democratic rule, Republican control will only mean an even greater disregard for the farmer's welfare in general and the Southern farmer's welfare in particular.

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From Memphis Commercial Appeal, Dec. 1 -

TIRE COMPANY TECHNICIANS HEAR OF PLANS TO RETURN COTTON TO COMPETITIVE POSITION WITH RAYON-The fight to retain what tire cord markets cotton now has and to regain those markets lost to rayon is continuing. Cotton has been the determining factor so far in the switch from cotton to rayon--and may be that the price factor can be eliminated.

The recent decline in cotton prices and the advance of rayon prices after the removal of OPA regulations have brought the two fibers into closer relationship, and now cotton has a new factor to propose--mechanization and lower production costs.

The National Cotton Council, which has spearheaded the campaign to advance cotton's position, last week sponsored a meeting in Akron at which technical representatives of nine of the larger rubber companies saw and heard the story of cotton's proposals.

The demonstrations were designed to show that the new technological advances in cotton to be used in the production of tires and other rubber goods at a price advantage over rayon and other synthetic fibers.

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From Greenville News, Nov. 26 -

COTTON SEED PLANTS-Editorial-Before the last war there was some talk about the need of cotton plants which would produce seed but no fiber. That was in the days of large lint surpluses and growing needs for more vegetable oils. Interest in this project is reported to be reviving, particularly in Texas where experiments are under way to produce more cotton seed and less lint as means of putting more money in the cotton farmer's pockets. But the thought occurs that unless lintless cotton can be made to produce seed in greater abundance the land might be better occupied at producing something else.

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From Christian Science Monitor, Dec. 2 -

FOOD AND POLITICS-Editorial-The State Department has set its face sternly against the passionate demands of Fiorello La Guardia for an international program for emergency food relief after the imminent demise of UNRRA. Mr. Byrnes states flatly that the United States will give relief only on a unilateral basis--or as a "political handout," in Mr. La Guardia's indignant phrase.

This stand will be a disappointment to the many Americans, as well as others, who have looked on relief as one of the most hopeful fields for demonstrating international co-operation. There is no denying that there have been serious abuses under UNRRA, but the question is whether those abuses warrant an abandonment of all genuine co-operative effort in this field. The State Department argues with some force that unilateral arrangements can be carried out more efficiently, but there is also at stake the strengthening of the international machinery by which it is hoped to establish a more peaceful world.

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From Worcester Telegram, Nov. 26 -

POTATO PROTEST-A few weeks ago James G. Patton, president of the National Farmers Union, declared that a return to the New Deal theory of a doctrine of scarcity had already begun under the U.S. Department of Agriculture. He accused the department of instituting such a policy in ordering a reduction in the potato crop, a reduction presumably ordered to avoid a surplus, and the subsequent picture of potatoes rotting, unwanted, on the ground.

Now the potato growers of two Long Island "potato counties," have protested to Washington against a curtailment order against them. These growers have been ordered to reduce their acreage by 23 per cent next year, or be ineligible for the government-price support program.

Without an intensive study of the potato situation one would be at a complete loss to explain why one county must cut its crops drastically, and another less drastically, and why some farmers must reduce their crops 23 per cent, while the national average reduction is only two per cent, but even the layman may wonder why there must be any crop reduction at all under present conditions. When potatoes were found rotting in Rhode Island, there were authorities who pointed out that they could have been dehydrated for shipment abroad.

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From Lancaster Intelligencer Journal, Nov. 26 -

NOSTALGIC MEMORIES-Editorial-After more than 12 years of experimenting, pathologists have high hopes of reforesting Pennsylvania with huge stands of chestnut trees again.

So confident are state authorities in a new hybrid, called the Wanking chestnut blight, that two experimental plots will be set out next Spring in the Logan Forest of Huntingdon county, where soil and atmospheric conditions are considered more favorable than other sections of the state.

R. Lynn Emerick, director of the Pennsylvania Bureau of Forests, announced his "faith" in the project, since the hybrid to be used in the experiment has met with success in southern tests made by the U.S. Department of Agriculture.

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DAILY FARM NEWS DIGEST
(For December 6, 1946)

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, December 6 -

U.S. BRITAIN FIRM ON RELIEF AGENCY: REFUSE TO JOIN ANY BOARD SET UP BY U.N.-Lake Success-The United States and Britain stood firm today in their refusal to participate in an international food-allocating agency after the expiration of the United Nations Relief and Rehabilitation Administration at the end of the year.

Adlai E. Stevenson, American representative, pointed out that, if such a board or agency were set up by the United Nations, the United States would not be a member of it. He spoke before the Economic and Financial Committee, which heard from Ake Ording of Norway, chairman of the drafting subcommittee, the extent to which the United States and Britain were divided from the other nations on handling post UNRRA relief.

Mr. La Guardia's compromise appeared to have little chance of adoption.

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HOME GARDENING URGED: ANDERSON CALLS FOR HIGH LEVEL OF PLANTING IN 1947-Washington-Secretary of Agriculture Anderson called today for a continued high level of home gardening in 1947 so that the country might "be on the safe side" with regard to food supply.

He told the National Garden Conference that despite prospects of some decline in demand for farm produce, his department is asking farmers to produce abundant crops again next year for the same reason.

"Although we cannot at this time see as great an emergency demand of food as during last year and the war years, we believe it is always a good plan to be on the safe side in food production," Mr. Anderson said.

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EMBARGO TO UPSET FLOW OF COTTONS-Cotton textile distribution will deteriorate rapidly as a result of the rail embargo, even though mill production is able to continue strong for at least sixty days, North Street textile men said yesterday. Inability to get goods moving from mill to finishing plant and thence into the hands of manufacturers will leave all levels of trade without finished cotton textiles other than those held in inventory, they said.

More than 75 percent of all cotton goods is moved by rail, according to a spokesman for the National Textile Traffic Bureau, and there is small likelihood that substitute means of transportation can be found.

(Turn to page 2 for other items
in today's N.Y. Times.)

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From New York Times, Dec. 6 -

COAL STRIKE CASTS PALL OVER COTTON: DROP PRICES 5 TO 21 POINTS LOWER-Fearing an economic crisis if the coal strike is prolonged, traders in cotton futures on the New York Cotton Exchange were cautious and prices declined 5 to 21 points from Wednesday's final levels.

Sentiment in the market was gloomy all day. Rallies were feeble. Cotton traders expressed the view that even if cotton mills could operate, they might be forced to shut down if they could not get raw materials and were forced to curtail shipments of finished goods.

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CORN, WHEAT UP WITH BUYING BRISK-Chicago-Buying of January corn and of wheat futures by cash interests in connection with sales of cash corn to the Government and flour for export gave the grain markets a firm undertone on the Board of Trade.

Brokers who act for cash interests were credited with buying over 500,000 bushels of January corn, a large part of which represented fresh sales to the Government for last half December-first half January shipment to the Atlantic Coast. There was also some buying attributed to distillers, who purchased as much grain as possible for shipment by midnight tonight to beat the deadline on a freight embargo.

Closing trades on January corn were at the top with a gain of $1 \frac{3}{8}$ cents. The distant deliveries of that grain finished $\frac{1}{2}$ cent higher to $1 \frac{1}{8}$ cent lower. Wheat finished at the best prices and gained $5 \frac{1}{8}$ to $2 \frac{1}{2}$ cents, the latter on March. Oats were unchanged to $3 \frac{1}{4}$ cent higher and barley unchanged to $1 \frac{1}{2}$ cents lower.

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M'NARNEY CAUTIONS U.S. ON FOOD NEEDS-Frankfort on the Main-Gen. Joseph T. McNarney warned today that if the United States embargo on railroad freight for overseas shipment resulting from the coal strike should be extended to food he could see no way to retain the present food ration in Germany.

So far as the position of the occupation troops was concerned the theatre commander expressed his conviction that "their urgent needs can be met without too much difficulty" so long as food, gasoline and oil were exempted from the embargo.

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GREEK RELIEF DRIVE HEADED BY HOOVER-Former President Herbert Hoover accepted the national chairmanship of the 1947 campaign of the Greek War Relief Association to raise \$12,000,000 for relief, it was announced yesterday by William Helis, association president. The campaign will start some time in January.

The drive will collect funds to buy food and clothing for the needy, to finance an extensive medical program there and to shelter war orphans.

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PRICE LEVEL HOLDS STEADY AGAINST COAL STRIKE CHAOS - Despite the spreading industrial paralysis brought on by the coal strike, the commodity markets managed to maintain the price level on a fairly even keel.

The thirty sensitive commodity prices in The Journal of Commerce daily index declined .9 index points. The general index at the end of the day stood at 261.2. . . .

Food prices were materially unchanged except for lard and eggs. The steady decline in lard prices continued yesterday as that oil slid down another one-half cent. Eggs scored a substantial gain of one-half to 2¢ however.

In the primary Chicago live stock market, hog prices were at a top of \$24.2 and cattle were steady at \$36. Meats were generally firm, maintaining the previous day's levels.

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CHANGE IN EXPORT SUBSIDIES SEEN DUE WHEN FOREIGN CLOTH SHORTAGES CEASE-Washington - If the present subsidy of 4¢ a pound on exports of raw cotton is continued after the shortage of cloth in foreign countries has ended, it will apparently be necessary to provide similar subsidies on exports of cotton cloth from the United States, according to an information digest prepared by the United States Tariff Commission for use in the forthcoming trade agreement negotiations.

The point is also made that, should large imports of cloth occur in such a case, quantitative restrictions or "compensatory charges" would have to be placed on such imports. Authority for both actions is to be found under existing regulations, it was stated. . . .

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LUMBER SUPPLIES SEEN AS ADEQUATE-Washington - The total supply of lumber produced this year will be adequate for all current essential requirements, the Commerce Department reported today.

It said, however, there is increasing evidence of maldistribution, even though the lumber situation is highlighted by greatly improved production, particularly in the hardwoods.

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FOOD PRICES--NOW AND IN 1947 - Recent developments in the processed foods field, notably in canned foods, indicate that prices have passed their peak on many lines and that a gradual recession, now in process, will continue until a "trading basis" is established.

In some instances, however, processors are fighting the inevitable, holding on to 1946 pack goods and planning to carry them into the coming year. While such procedure may prove profitable in the way of reducing tax payments on 1946 operations, and may tend to slow down the recession in market values, it holds the danger of complicating 1947 acreage contracting and creating considerable chaos during the coming year.

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HIDE FUTURES DECLINE IN LIGHT TRADING SESSION - Hide futures dropped 14 to 29 points yesterday in the dullist trading session since the reopening of the Commodity Exchange.

Only three contracts were made during the day. . .

From the New York Journal of Commerce, December 6 (Cont.) -

LINSEED OIL - No new developments are presented in the linseed oil market. Cash seed market at Minneapolis was lower yesterday at \$7 per bushel but since crushers were encountering difficulty in obtaining seed when the market was \$7.25 there appears to be little hope of any relief in the situation with the market 25¢ a bushel lower.

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JUTE GOODS PRICES UP DURING WEEK - Burlap prices were up this week on unofficial reports from Calcutta to the effect that the Government of India would end its quota on the amount of raw jute and manufactured jute products permitted to be shipped to various countries, restoring the commodity to a fully free market.

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CONTINUED STRENGTH OF PRINT CLOTHS FEATURE OF MARKET - Continued strength in the print cloth division of the cotton gray goods market has marked trading during the past few days, with new highs made on many sales for spot and reports that sales well into the second quarter of the year were being closed at up to 25 per cent above old ceilings.

That the print cloth section of the market should provide the main fireworks, following decontrol, does not come as a surprise to those who have studied recent production figures. It is estimated in reliable sources that the number of looms on print cloths this year will not exceed 90,500, which is approximately 35 per cent less than the 140,000 looms on these constructions in 1939.

The steady drop in print cloth yarn fabric production during the war period is evident. . . .

The average production for six years is 3,200,000,000 linear yards annually. This compares with actual 1939 output of 2,999,000,000 yards, or an increase of about 7 per cent. While this is about equivalent to the increase in population that has taken place in the interim, it does not take into account the large diversion of print cloths to military use or the increased demand arising from the higher level of purchasing power.

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WOOL GOODS DELIVERY FUTURE CAUSING WIDE TRADE CONCERN - The freight embargo which went into effect today has caused widespread concern among wool goods manufacturers who not only see a continuation of fabric deliveries as extremely difficult but are also worried about securing future amounts of raw materials necessary to maintain production schedules, trade sources were saying yesterday. . . .

As far as mills in the Boston and New York areas are concerned, it was indicated, deliveries to garment manufacturers in these localities, although somewhat lessened, will probably be maintained as long as wool tops or yarn, dyestuffs and other materials are available.

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From the New York Wall Street Journal, December 6 -

INDUSTRY CUTS PRODUCTION FURTHER AS FREIGHT EMBARGO TAKES EFFECT - Industry cut deeper into its production schedules as the freight embargo went into effect on the 16th day of the soft coal strike.

Several companies announced large layoffs; some shut plants and others predicted they would have to close shortly.

Railroad workers will begin to feel the full effects of the embargo today when, according to the Association of American Railroads, 150,000 men will be laid off. This is more than 10% of the working force of 1.3 million. Farm Digest 2615-40

From St. Louis Star-Times, Nov. 27 -

ECONOMY OF SCARCITY-Editorial-Very quietly the Department of Agriculture, reacting to the present glut of potatoes on the home market, has announced its new potato program: The Department will urge the restriction of acreage for the crop next year. But for the quiet, the news naturally enough has come to the Farm Bureau Federation and to the Farmers Union, and it has produced a most unusual phenomenon: These two organizations, normally poles apart, have united this time, joining in a fulsome condemnation of the program.

There is ample ground for this condemnation. By urging a reduction in planting, Agriculture betrays itself still bemused by the ancient economy of scarcity, which should have been discredited long since. Under that economy, supply is always being hedged in to conform to effective demand—that is, the demand of those people able to pay good prices. It makes little difference, in an economy of scarcity, that thousands may be starving; maintenance of a profitable market is the only consideration.

In Europe, for instance, thousands actually will be starving for months to come. Yet Agriculture's experts, under the direction of Secretary Anderson, give no thought to the possibility of channelling our surpluses to those who so desperately need them. For the long run only an economy of plenty—an economy in which the accent is always on increased production and better distribution—can keep this nation healthy.

If the theory behind the new potato program is applied wholesale, the world will lose heavily in terms of simple human want.

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From Dayton News, Nov. 26 -

IS THIS FARMER INSURANCE?-Editorial-The Secretary of Agriculture calls on the farmers to put 358,500,000 acres in crops in the coming year, three per cent more than in the present year. That is war insurance, drouth insurance, for hungry Europe, life insurance. Is it farmer insurance?

Suppose a conservative Congress cuts off supplies to the hungry Old World. Who will buy the crops these acres will produce? In the second year after the First World War farmers' prices dove into the cellar and remained there till the New Deal years. Can that happen again?

In 1936 to 1939 Americans consumed 126 pounds of meat per capita a year. In 1946, with everyone at work and supplied with money, the consumption, though the supply ran short, was 140 pounds. More money, more meat!

When unemployment comes and wages fall, who will eat the meat the farmers are getting ready to produce? Less money, less meat!

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From Butte Montant-Standard, Nov. 24 -

THE UPS AND DOWNS OF THE MONTANA WHEAT FARMER-Editorial-The statistics on Montana farm production for the war years may prove extremely interesting to the agriculturalist who is looking forward to the time that demand for food and fiber may not be what it has been.

Although all-out farm production has been called for by the Department of Agriculture for another year, it cannot be expected that the demand for farm products is going to continue. Crop acreage in Montana increased more than one million acres during the war.

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From Macon Telegraph, Nov. 26 -

NEW CONGRESS FRIENDLY TO FARMERS-Editorial-Informed observers believe that agriculture is going to get more attention in the Republican-controlled 80th Congress than it received from the lawmakers in almost 10 years.

Increasing demand and high prices during the war temporarily relieved agriculture of many of its problems, but as the national economy settles down to a peace-time basis farm problems will rise once more to demand the attention of Capitol Hill.

Already the cotton interests have called upon the government to save them from a declining market while the wheat interests are afraid that the same thing will happen to them.

Representative Hope of Kansas, who will be the Republican chairman of the House agriculture committee, asks the raising of dietary standards as well as support for the more traditional emphasis on education in nutrition and prices and markets.

Mr. Hope says that if all the people of this country consumed what nutritionists consider an adequate diet our problem of agricultural surpluses would disappear overnight.

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From Greenville News, Nov. 28 -

FREEDOM FROM ORDERS-Editorial-During the war years the processors, distributors and retailers of foods were subjected to a total of 174 orders by the Department of Agriculture and the War Food Administration.

Only about a score of these now remain and all but a few of these are due to expire during the next few weeks. Prices which were held down below their true economic levels quite naturally went up with the lifting of the orders affecting them. But for the most part they have not spared to the levels expected by the more inflation-conscious prognosticators.

One of the encouraging aspects of the food situation now is that, barring economic upsets caused by work stoppages, prices apparently are already at or near their peaks and that they are about ready for a descent to lower levels. A number of items, notably meat, already are setting appreciably.

Viewed as a whole, the food front is now in position to take care of itself without too many orders from Washington.

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From Augusta Chronicle, Nov. 29 -

GEORGIA LEADS-Editorial-For years now, thoughtful Southerners have been preaching diversification as the chief source of salvation for the cotton-growing South. The perserverance and pertinacity of those who, during the years, have urged diversification are paying rich dividends now, especially in Georgia, which leads the entire South in the diversity of its farm crops.

Georgia reduced her cotton acreage 74 per cent between 1910 and 1945, while multiplying milk production eight times, pecans five times, tobacco 45 times, peanuts four times. In the same period, Georgia increased hog and cattle production by 30 per cent, chickens by 140 per cent, and eggs by 90 per cent. Comparable progress is reported generally in Southern states, but Georgia leads in the variety of her new crops, which range from grapes, prunes and pecans to oranges, yams and tung oil.

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(The newspapers and magazines, from which these agricultural items are taken are on file in Press Service, Room 411-A. Phone Gene Harrison at 6212.)

From the Journal of Commerce, New York, Dec. 7 -

PREAMBLE TO TRADE PROPOSAL SHOWS SCOPE OF AGREEMENTS--The Secretary of State of the United States has made public today a document setting forth certain 'Proposals for Consideration by an International Conference on Trade and Employment.' These proposals have the indorsement of the Executive branch of the Government of the United States and have been submitted to other governments as a basis for discussion preliminary to the holding of such a conference.

"Equally, the Government of the United Kingdom is in full agreement on all important points in these proposals and accepts them as a basis for international discussion.

"These negotiations will relate to tariffs and preferences, quantitative restrictions, subsidies, State trading, cartels, and other types of trade barriers treated in the document published by the United States and referred to above. The negotiations will proceed in accordance with the principles laid down in that document."

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COTTON LIST MIXED IN LIGHT TRADING; ANDERSON'S VIEWS--Cotton developed an irregular trend yesterday on the New York Cotton Exchange with closing quotations unchanged to 2 points up and 3 off. Price fixing in the near months after the market opened 4 to 6 points higher met increased hedge selling and some liquidation. Profit taking also pared the gains at the peaks. There were no notices issued in December. The open interest decreased to 25,800 bales.

News from Washington disclosed that the Secretary of Agriculture is opposed to any further advance in the parity price that might hold United States cotton above the world market and encourage further competition from foreign growers. There was no indication as what the Secretary considered an up-to-date formula which would give farmers a fair share of the national income and at the same time hold cotton within a competitive margin.

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BOWLES, TAFT CLASH ON EARLY REMOVAL OF PRICE CONTROLS--A sharp clash on the tempo of price decontrol featured the second session of NAM's fiftieth anniversary Congress of American Industry yesterday.

Speaking out "bluntly," Price Administrator Chester Bowles termed NAM's proposal to lift all price controls by Feb. 15 next "reckless in the extreme" and pleaded with the association to reexamine its position.

NAM Director Arthur Walsh, who presided at the meeting, saw little chance for such a move on the part of NAM, however. He was strongly seconded by Senator Robert A. Taft of Ohio, who sharply attacked the price agency and said that, in his opinion, OPA could "not be trusted with the decision as to what articles must still be controlled after July 1, 1946."

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CANNERS SEE GAIN IN CONSUMER CALL AIDING EXPANSION--A greater consumption of canned foods was forecast in postwar years here today by Fred A. Stare, Columbus Wis., president of the National Cannery Association.

(Turn to page 5)

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From the New York Times, Dec. 7 -

FOOD APLENTY IN '46 SEEN BY ANDERSON - Current inventories of the Department of Agriculture, which include items of food and clothing of international concern, indicate that this nation will have a prosperous year in 1946, Secretary Clinton P. Anderson declared yesterday.

Giving an accounting as a business executive at a Rotary Club luncheon Mr. Anderson reminded his fellow Rotarians of accrued profits under the department's "price-support program" and his responsibilities to "140,000,000 stockholders" and a board of directors consisting of the members of Congress.

Pointing out that there were profits on tobacco and cotton, "without trying," the Secretary added: "Business men say 'I'm not in business for my health'; but we in the Department of Agriculture are in business for the economic health of our nation.".....

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FOOD PRICES SHOW DECLINE - Marking the first decline in the past eight weeks, the Wholesale Food Price Index for the week ended Dec. 4 dropped 1 cent to \$4.15, from the twenty-five year peak reached in the previous week, Dun & Bradstreet, Inc., reported yesterday. The latest week's figure reflected a gain of 2 per cent over the comparative 1944 level of \$4.07. Only barley advanced during the week. Declines were shown for rye, oats, potatoes, hogs and lambs.

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CARLOADINGS ROSE 12.2% A WEEK AGO, Washington - Loadings of revenue freight for the week ended Dec. 1, totaled 803,770 cars, the Association of American Railroads announced today. This was 87,276 cars, or 12.2 per cent more than the preceding week; 4,066 cars, or 0.5 percent, fewer than for the corresponding week last year, and 58,963 cars, or 6.8 per cent, fewer than in the corresponding week two years ago.....

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From the New York Herald Tribune, Dec. 7 -

WHERE THE MONEY GOES, Editorial - The Senate has passed an appropriation of \$550,000,000 to pay what the United States owes on a first contribution to United Nations relief in Europe, and the House is considering the second outlay of \$1,350,000,000 to which we stand committed. The money should be forthcoming without any strings attached and without further unseemly bluffing about it.

Reasonable questions about how the United Nations Relief and Rehabilitation Administration might spend its funds were disposed of by General Eisenhower recently. He tacitly recognized ground for doubt as to the past by giving assurance to Congress that better administration can now be expected....

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FEW WAR PLANTS CALLED USABLE IN PEACE DAYS, Washington - Less than one-third of the \$14,000,000,000 worth of war-built manufacturing plants, which the Federal government constructed to meet war demands, will be usable in the post-war period, the Civilian Production Administration disclosed today.....

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From the St. Paul Pioneer Press, Dec. 4 -

WORLD PEACE UP TO YOUTH, 4-H MEET TOLD, Chicago - One of the dark mysteries left by World War II was illuminated Monday night at the 24th National 4-H Club congress here.

That is the mystery of where and how this nation is going to get a citizenship in the future that will be trained in the human cooperation needed to make it possible for nations to work together in a unified world.....

Those 800 4-H winners, grouped at round tables with as many club leaders, all facing toward the speakers' table and Secretary of Agriculture Clinton P. Anderson, heard the answer put into words by him.

They themselves, it turned out, are the answer. The job of world cooperation is being checked to youth by older people, who have been too illy trained and too poorly grounded in cooperation to keep the world from dividing disastrously against itself.....

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GI FARM PLANS MEET SETBACK, Washington - (UP) - A large number of the million or more veterans who want to be farmers may be in for a disappointment.

These were the straws in the wind:

(1) With close to five million men already out of service, only 700 veterans have gotten farm loans through the Veterans administration under the GI Bill of Rights.

(2) The Farm Security administration, a better bet for the farm-minded veteran but strictly limited on funds, has helped 3,500 veterans with all types of loans, hopes to set up 4,000 as farmers this fiscal year.

(3) The National Planning association estimated only 650,000 farms will become available to buyers in the next five years, against a demand for 1,100,000. It indicated many will be over-priced.....

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From the Milwaukee Journal, Dec. 3 -

WARNS BAKERS OF SUGAR DEALS - Bakers caught in black market sugar operations to escape the existing sugar shortage will be treated as any other black market customers, Herbert L. Ebling, assistant OPA director here, said Monday.

Ebling's statement was in answer to a report Saturday by Fred H. Laufenberg, executive secretary of the Wisconsin Bakers' association, that the sugar shortage may force a number of bakers into the black market to obtain supplies.....

Laufenberg said Monday that he had received a call from a large Milwaukee baker that he could not operate through the week without more sugar. He said he had received similar calls Monday from bakers in Fond du Lac and Janesville....

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From the Watertown Daily Times, Dec. 4 -

FARM COMMITTEE IN COUNTY NAMES, Canton - A county committee of five members has been named by the StLawrence county agricultural conservation association to serve during 1946 as a means of contact between government conservation agencies and community committees in arranging for the distribution of lime and superphosphate, subsidy payments, and other aspects of the government's agricultural conservation program.....

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From the Cotton and Cotton Oil Press, Dec. 1 -

SURPLUS COTTON BOARD - Secretary Anderson is following up the surplus cotton problem.

More than a month ago he declared in an Arkansas address that "one of the first things we must do is to clear the deck of this great (cotton) surplus."

He gave his listeners more than just plain conversation. Translating his views into action, his latest move calls for a cotton export advisory board of seven representatives from the American cotton industry to help work out a program for the disposal of surplus U. S. cotton.

The board will work in collaboration with the USDA in seeking to develop a program looking toward the disposition of about $2\frac{1}{2}$ million bales of Government-owned cotton. The cotton is principally of short staple and officials express the belief that "outlets for this fiber and other stocks may be found in some of the European and Far Eastern countries.".....

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From the San Francisco Chronicle, Nov. 30 -

SCARCE BUTTER SUPPLY UNDER OPA INQUIRY - The mystery of why butter is still scarce and whether people are just going to have to do with less is to be the subject of an OPA inquiry.

F. H. St. Goar, OPA butter expert here, is en route to Washington. Among other things, he will seek to find the answer to why butter manufacturing is going down, and if a change in OPA ceilings on butter ingredients would alter the situation.

California Creamery Operators' Association and agricultural leaders have asked an adjustment of price policies in the belief it would increase butter supplies for consumers.

Creamery operators cite that butterfat producers get more money for their product than they do if it is sold for making butter. Plastic cream is not under OPA ceilings. Butter cream has a 48-cent ceiling per pound.....

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From the Memphis Commercial Appeal, Dec. 3 -

MACHINE TRANSITION HAS COME TO COTTON - Mechanization of this country's cotton crop is upon us, according to the National Cotton Council..... Dr. Frank J. Welch and Dr. D. Gray Miley, farm economists at Mississippi State College agricultural experiment station, after completing cotton mechanization cost studies, said in a recent joint report:

"American cotton production must be made more efficient if it is to compete successfully in the market place with foreign grown cotton and synthetic substitute products, and at the same time bring the producer anything like an adequate income. The economic and social dislocations and adjustments as well as the ultimate benefits that rather complete modernization of cotton production and harvesting will inevitably bring, must be shared by society as a whole.".....

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From the Journal of Commerce, New York, Dec. 7 (Cont.) -

TAXES AND FOOD OFFERINGS--With direct offerings of many seasonal processed foods at a minimum, in the face, of continued active demand from the distributing trades, the extent to which packers may be carrying over into 1946 goods packed during the current season, for tax purposes, remains a topic of absorbing interest in industry circles.

While such carryovers are an indisputable fact, there are growing indications that the quantities of merchandise withheld from the current market may not prove as large as many in the trade have believed. Too, the release of such goods will by no means meet the demands of all distributors.

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SEVERAL EQUALIZING CHANGES AFFECTED IN WOOL MILL MAP--Several liberalizing amendments to the wool MAP designed to equalize certain provisions of the order were announced today by the Office of Price Administration.

Asserting that a study of mill applications and reports has demonstrated the need for these changes, the OPA stated that they have been incorporated into amendment 11 to SO 113, retroactive to July 1, 1945.

In the first of these changes producers of low-cost woolen and worsted fabrics are given the same temporary relief in the third quarter of 1945 that is provided for higher priced producers--a 7 per cent increase over the maximum price. This map is the weighted average price for the 1944 base period reduced by 4 per cent.

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HOSIERY MILLS AWAIT MAP MOVE--Hosiery mills that can find some price relief under SO 139 and have figured their new prices accordingly are held up in their merchandising for next year, because OPA so far has not extended the quarterly operation of MAP even into the first quarter of 1946. There is considerable satisfaction being shown by some manufacturers over the relief that has been found in this new order, but this is nullified by the fact that they cannot be sure of delivering at the new prices until OPA acts to implement MAP in the customary way.

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MAP HAVING ADVERSE AFFECT ON WOOLEN AND WORST SUPPLIES--The evidence accumulates that continued enforcement of the Maximum Average Price regulation against woolen and worsted mills is not only unnecessary but is actually disrupting the normal flow of fabric.

MAP has resulted in (1) increase in the production of lighter weight fabric when the heavyweight goods were needed for the winter season, and (2) increased production of women's wear fabric when the great need was for men's wear yardage. This has been a necessary operational adjustment that MAP has forced mills to resort to in order to meet their old maximum average price. Wages and costs are higher, so that lighter weight, less expensive fabric was the only answer.

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RYE CLOSES LOWER--Rye futures fail to hold early advances with old crop deliveries dropping 6c to 7c from the day's highs to finish with losses of as much as 4c, while distant positions retain part of their advance. Oats also close lower after early gains, but wheat changes are negligible and corn holds at the ceiling. Weakness in Winnipeg rye despite reduction in margins there stimulates selling at Chicago.

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From the New York Wall Street Journal, Dec. 7 -

FCC POLLS FARM, TOWN LISTENERS; PLANS MORE PROGRAMS, LESS STATIC, Washington- The Federal Communications Commission has had poll takers ringing doorbells of 2,500 rural homes, and now knows for a certainty that "most rural people value radio highly."

If its poll of rural listeners hasn't uncovered a sensational set of listening habits in the hinterlands, the F.C.C. thinks it has turned up information that will help it get more programs with less static to more farm and country families.....

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From the Baltimore Sun, Dec. 7 -

U. S. AND ITALY SIGN NEW TRADE AGREEMENT, Washington - The United States and Italy have reached an agreement designed to promote expanded postwar trade between the two countries. The State Department made the announcement today.....

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INDIVIDUAL SUGAR RATION UNCHANGED, Washington - Individual sugar rations will continue to be five pounds in the four months from January through April but housewives may find it harder to get sugar in January and February, the OPA announced today.

With validation of a new sugar stamp, Number 39, on January 1, the OPA expects a shortage which will be most noticeable on the East Coast.....

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From the Chicago Tribune, Dec. 4 -

U.S. WILL IMPORT FOREIGN LABOR TO WORK FARMS - Shortage of farm labor will continue critical next year, but there will be no shortage of food, Secretary of Agriculture Anderson said at a press conference yesterday.

Surveys at separation centers indicate that many farm youths leaving the army are not going to return to agricultural work, the secretary said. This means much of the burden of farming will continue to rest on the shoulders of the older farmers and women, as it did during the war.

"We have asked for an appropriation of 14 million dollars to continue bringing foreign labor groups to this country to help with the harvest in areas where the labor shortage is critical," the secretary explained....

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From the Salt Lake Tribune, Dec. 2 -

IDaho EXPERT APPROVES HOG PRICES, Pocatello, Ida - Bannock Extension Agent Boyd Baxter Saturday said the new support price on good and choice butcher hogs has the approval of Wade Wells Moscow, University of Idaho extension swine specialist.

He said Mr. Wells wrote to him that "it will permit Idaho swine growers to plan production over the two-year period and eliminate one of the unknowns of pork production.".....

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 409A. Phone Gene Harrison at 6212.)

From New York Times, Dec. 9 -

FREIGHT MOVING RAPIDLY; MANY RESUME JOBS TODAY-Railroad operations were increased sharply yesterday, primarily in moving mountains of lately embargoed freight, and thousands of workers in every major industrial area of the nation prepared to return to jobs interrupted by the coal strike.

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CORN HARVESTING PROGRESSING FAST-Chicago-The coal miners' strike, now ended, but which led to the embargo on general railroad freight, failed last week to have any effect as a price making influence on grains on the Board of Trade here, as food and feed were exempted from the provisions governing the movement of freight.

Consequently, with the Government in the market for large supplies of wheat and corn and obtaining priority on box cars in the Southwest for the movement of the grain to Gulf of Mexico ports for export, the markets turned higher, wheat rising more than 4 cents a bushel and corn around 5 cents at the extreme.

There was no material pressure on the markets at any time, although farmers showed more disposition to sell corn for deferred shipment, due in part to the rapid progress made in harvesting of the new crop in the more northern sections of the main producing area, especially Nebraska, Iowa and Minnesota.

Moisture content in corn has dropped since the advent of cold and dry weather, but is still relatively high for this season.

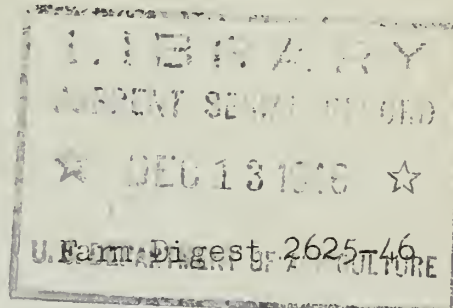
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CASH LARD DROPS AS FUTURES RISE-Chicago-Cash lard developed a decidedly weak undertone here last week, declining $2\frac{1}{2}$ cents a pound, and the refined product, which sold as high as 55 cents after the price ceiling was lifted, declined as much and was traded in around 25 cents at the close of the week, with packers inclined to press offerings in order to prevent accumulation of supplies. The weakness in lard was a factor in depressing the hog market, which lost around $1\frac{1}{2}$ cents a pound.

Inability to ship large quantities of lard to Cuba and Puerto Rico is said to have been one of the factors in causing the weakness, and there has been little disposition on the part of bakers and other large users to buy freely, presumably waiting while their higher-price holdings are being worked off.

(Turn to page 2 for other items in today's New York Times.)

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From New York Times, Dec. 9 -

COTTON IRREGULAR AS OUTLOOK SHIFTS; GAINS AND LOSSES IN WEEK-END SHOWN-The pulse of national sentiment over the coal strike and the institution of a railroad freight embargo was registered on cotton prices last week. The market rallied and declined with the succession of favorable and unfavorable developments. Active futures on the New York Cotton Exchange ended the week mixed, 5 points lower to 16 points higher than the week before.

Meanwhile the favorable domestic statistical picture for the staple was a supporting factor as were reports that strong demand for textiles in goods markets was faced with short supplies.

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GRAIN TRADING IN CHICAGO-Chicago-Outside interest in wheat and corn is increasing, but trade in oats has become largely of a professional character. However, sales of all deliveries of grain on the Board of Trade last week aggregated 140,705,000 bushels, or a daily average of 23,500,000. The latter compared with 19,400,000 bushels the week before and 24,300,000 a year ago.

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MEXICO TO DEBATE NEW FARMING PLAN-Mexico City-The great bulk of agricultural legislation promised by President Miguel Aleman in his inaugural address has already been submitted to Congress and is expected to be passed by the end of the year.

Apart from a Constitutional amendment guaranteeing the property rights of owners of less than 500 acres, the most interesting proposal would establish a national colonization commission to effect the bold resettlement plan announced by the President on Dec. 1.

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BERLIN DISTURBED BY HUNGER EDEMA; ALLIES CRITICIZED FOR BASTING FOOD RATION ON CALORIES-Berlin-An unofficial survey conducted with the help of the Board of Health disclosed today that 2,571 patients in city hospitals were suffering from hunger edema.

This is considered an uncomfortably high total in view of the generally accepted idea that Berlin is one of the best fed cities in Germany. Civic officials did not dare to guess the number of hunger edema victims out-side hospitals.

Although German officials do not say that in a city of more than 3,000,000 persons the hunger edema ratio indicates widespread starvation, they charge that the military government is making a mistake in concentrating on supplying a certain number of calories as the basis of the food ration. The Germans describe the illness as a lack of albumen.

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From the New York Journal of Commerce, December 9 -

ADMINISTRATION TO SEEK FOREIGN AID FUNDS-Washington, (AP) - Acting Secretary of State Dean Acheson disclosed today the Administration will ask Congress for a "generous appropriation" for 1947 relief activities abroad - but only for countries which can definitely prove their need.

Acheson made it plain in a blunt-spoken radio address that the United States wants to decide where this money shall be spent.

"The United States does not believe that post-UNRRA relief should be conducted by an UNRRA type organization," he declared.

Acheson said the United States would be willing to use the United Nations as "a clearing house" for information on the requirements of countries.

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SUGAR MEN URGE CONGRESS TO ACT-Want Normal Supplies Allotted to U. S. Before Allotments to Foreign Countries - Apprehensive lest the International Emergency Food Council strip the Western Hemisphere of supplies in order to satisfy the many foreign claimants, that an official prediction of only a modest increase in supplies to domestic consumers may come to pass, the National Sugar Brokers Association in a circular letter to Senators and Congressmen is urging that they use their influence to make available a "normal" supply of this commodity; that they recommend such a program to the President and Secretary of Agriculture.

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SOAP OUTLOOK - Soap supplies will show no major easing until the end of the year, according to the National Association of Retail Grocers, because of the prospect of little material change in the tight fats and oils situation before that time.

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COFFEE - The advance in coffee at the week-end was not wholly unexpected. Brazil prices had been creeping up. Roaster demand had broadened, resulting in expanded importer buying at advancing prices.

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FLOUR - Many mills advance flour prices at week-end, reflecting a tightening situation stemming from large export and domestic commitments. Great Britain was a heavy buyer on Saturday and it was reported that the Belgium allocation of 640,000 cwts. had been completed.

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CANNED FOODS - Due to shortage of warehouse space, many wholesalers are reportedly asking packers to withhold shipments to this market. Increased resale offers from out-of-town also add to unsettlement.

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OTHER MARKETS - . . . Receipts of live poultry light . . . Dressed poultry easier . . . Decline in cabbage values expected . . . Trade in dried fruits dull.

(Turn to page 4 for other items from - - -
today's N. Y. Journal of Commerce.)

Farm Digest 2625-46-3

From the New York Journal of Commerce, December 9 (Cont.) -

RICE SUPPLIES IN SOUTH DISAPPEARING RAPIDLY - The rail embargo, which was in effect prior to the general embargo resulted in a lessening of supplies of rice from the South; it was revealed in industry circles on Saturday.

The glut of merchandise both on the docks and in warehouses makes it most difficult to route any additional shipments to this market until the situation has eased. A fair amount of rice came in the past few weeks and caused a temporary improvement. However, in view of these developments, the trade feels that there will again be a tight situation shortly. Some assistance may occur, it was pointed out as a result of deliveries by rail and water combinations, but it will not be of any substantial nature.

Supplies in the South are disappearing rapidly and mills are beginning to talk about closing in late January or February. All the rough rice in Louisiana and Texas has been sold and Arkansas is fast approaching the same situation. A good part of the late crop shows considerable damage and it is felt this will not be suitable for the grocery trade.

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POG MARKET - Salable hog receipts at Chicago on Saturday were estimated at around 1,000 head and the market was nominally unchanged from Friday. Compared with a week ago barrows and gilts were down \$1 to \$1.25 while sows lost \$2 to \$2.50

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From the New York Wall Street Journal, December 9 -

INTERNATIONAL HARVESTER THIRD QUARTER SALES RISE; OUTPUT INCREASES-Chicago - International Harvester Co. sales for the fourth quarter, ended October 31. These were up 16% over the previous quarter and 36.6% higher than sales in the like period last year, President John L. McCaffrey disclosed in a quarterly review of operation

"The most notable achievement in the fourth quarter was the continuance of an improving volume of production which began to manifest itself in the third quarter said Mr. McCaffrey.

Contributing chiefly to the higher fourth period output were operations of the farm implement and farm tractor divisions. These, he said, are running "substantially ahead of a year ago for machines, attachments, and parts."

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CUBAN SUGAR FIRMS EXPECT TO WIN SUIT AGAINST GOVERNMENT-Havana,(AP) - An announcement by the Cuban Supreme Court was expected in a few days on the appeals by groups of Cuba sugar concerns against government seizure of the difference between the United States price and the price paid by other countries for 250,000 tons of the 1946 crop.

Havana newspapers, meanwhile, said that the Supreme Court was expected to rule the seizure unconstitutional, and to order the government to return to the owners the amount of price seizure, totaling approximately \$20 million. The sugar involved had been set aside for sale to countries other than the United States.

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RAIL OFFICIALS WELCOME FREIGHT RATE RISE BUT POINT TO HIGHER MATERIAL, EQUIPMENT, LABOR COSTS - Several railroad officials, while welcoming the increase in freight rates authorized by the Interstate Commerce Commission Friday, deplored I.C.C.'s delay in taking such action.

These officials also said that it is too early to determine just what the increase will mean because of the higher costs of materials, equipment and labor.

From St. Paul Pioneer Press, Dec. 2 -

TAX EQUALITY GROUP CARRIES ANTI-CO-OP FIGHT TO N. DAKOTA-The National Tax Equality association will carry its fight on the cooperatives deep into the agricultural Northwest with organization of a new unit in North Dakota, it was revealed Sunday.

The new move of the Tax equality groups to invade North Dakota coincides with adoption nationally by them of the strategy of charging the cooperative movement, or parts of it, with radicalism, Russian communism and attempting to seize the private businesses of the United States.

Announcement of the NTEA invasion of North Dakota was made at Bismarck by Tom Hall, secretary of state, who said his office has issued a charter to the new organization. The name will be the North Dakota Tax Equality association and it will have headquarters at Fargo.

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From Milwaukee (Wis.) Journal, Nov. 26 -

THE LAND AND THE PEOPLE-Editorial-Mother Nature keeps right on being good to us Americans, even when we don't seem to appreciate it.

Here it is the fall of 1946 and we have another bumper harvest -- magnificent in quantity and quality, according to the department of agriculture. There are record crops of wheat, corn, and potatoes and near record crops of oats, rice, soybeans and sugar cane. The only important crops to fall below average were cotton and rye.

Yet what do we do now with some of the plenteous food stocks that are the envy of other lands? We let potatoes rot in the fields, wheat mildew along railroad tracks, corn go to waste on farms. All this, while in some parts of our land people go without these foods because of scarcities or impossible prices. Yes, nature endows us richly and we waste her gifts.

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From Chattanooga (Tenn.) Times, Nov. 27 -

TREE FARMING-Editorial-We can expect the development of progressive forestry in Tennessee to take impetus from the establishment of the tree farm movement in our state at the recent ceremonies at Collinwood.

Eighteen certificates were given to large and small owners who accepted the voluntary pledge of self improvement of their forest lands.

The lessons our farmers and foresters need to learn are scientific cutting, renewing with the type of trees best suited to the land, and fire control measures. They can have the assistance of the state forestry division and the conservation department, as well as that of the timber growers' groups. By careful cutting and by investing perhaps more than their trees earn for a few years, they can look forward to a perpetual source of revenue with a minimum of effort.

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From Indianapolis Star, Nov. 27 -

FLAME WEED CUTTER FOR FARMERS FORESEEN-A direct descendant of the Army's flame-thrower may make it possible for Hoosier corn-growers to cut crop weeding time four-fifths if technical difficulties can be removed. Indiana farm implement dealers, meeting in convention yesterday discussed the flame cultivator. A. D. Merrill, merchandising manager for the Oliver Corporation of Chicago, said that his company is experimenting with the device and is optimistic about its possibilities.

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From Montgomery (Ala.) Advertiser, Nov. 29 -

PLANNING FOR FARM STABILITY-Editorial-U. S. farm leaders and economists generally have been quick to recognize the dangers to the American farmer in another major depression. Already they are giving thought to various means and devices calculated to avoid a repetition of conditions which almost bankrupted farmers a few years ago.

This early recognition of danger is in sharp contrast to the attitude of farmers during the decade immediately preceding the 1930's. Perhaps it means that farmers as a whole will be better prepared to stand the seige of low prices, if and when they come.

One example of the farmers' recognition of possible danger ahead of them is the fact that the Alabama Farm Bureau, at its recent convention, went on record as favoring the exploration of possibilities in the cooperative movement with a view to encouraging cooperatives should the explorations show the movement desirable and feasible for Alabama farmers.

Another evidence of awareness on the part of lawmakers, economists, and agricultural experts to the need for bolstering the position of the American farmer is a marketing-research program authorized by act of Congress and presently being set up by the Department of Agriculture.

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From Oklahoma City Oklahoman, Dec. 1 -

UNSOUND FARM POLICY-Millions of bushels of potatoes are going to freeze, in huge piles, this winter, and the American taxpayer will have to foot the bill, for the government has written what amounts to an insurance policy on each potato.

The potato grower, for that reason, isn't going to worry, so far as his own individual operation is concerned.

No one in his right senses can excuse this deplorable, wasteful and un-economic way of doing business, yet it is the inevitable result of the political "support price" and loan system which has obtained a firm foothold in the operations of the U. S. Department of Agriculture.

The unhappy phase of this situation is that the Republican party, unless sharply goaded by the taxpayers, will go right on with this stupid and un-economic policy.

The new chairman of the house agricultural committee will be Clifford Hope of Kansas, who has committed himself to this program of Theoretical crop control and the "gentle rain of checks" which actually produces more surpluses. It is the easy political way of meeting this situation. It will continue unless the taxpayers, including the farmers, revolt and demand its discontinuance.

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From Atlanta Constitution, Dec. 1 -

THE BUTTER BLOC BEGINS-There are increasing indications that the butter industry is genuinely alarmed at the inroads which margarine is making on its product. There is also a growing realization that the butter bloc in Congress will not be able much longer to maintain the 10-cent-a-pound spite tax which the federal Government now levies on colored margarine. The 25 States which have them will shortly consider repeal of discriminatory laws and levies enacted in the past in an effort to handicap the much-maligned margarine industry.

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DAILY FARM NEWS DIGEST
(For Dec. 10, 1946)

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

★ DEC 16 1946 ★

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Dec. 10 -

COTTON HEARING TODAY: ARGUMENTS ON LIMITING LINE OF SPECULATORS SCHEDULED- Washington-The Commodity Exchange Authority, which polices commodity markets, will hear arguments today on whether it should limit cotton speculators to 30,000 bales on each market.

The limitation was urged by Secretary of Agriculture Clinton P. Anderson to prevent disastrous cotton breaks, such as occurred in October.

In that month prices collapsed from a twenty-six-year high of 38.93 cents a pound on Oct. 2 to 29 cents in mid-October. As a result the Department of Agriculture said October, 1946, would be known as "the black month" in cotton history."

Joseph M. Mehl, who administers the Commodity Exchange Act, will preside at tomorrow's hearing. But the actual decision on trading limits must be made by the Commodity Exchange Commission. Mr. Mehl merely will make recommendations.

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UTILITIES TO WORK FOR FARMERS' GOOD-A drive to increase the farmer's income through an extensive agricultural development program is about to be launched throughout the nation by some thirty-five electric light and power companies in twenty States, it was learned yesterday.

According to Roy W. Godley, rural service manager of the Edison Electric Institute, trade association of the utility industry, "power companies are rapidly realizing the part that they can play in bringing about more effective conservation of natural resources, acceleration of farm production and greater economic stability for the farmer."

Formal preparation to effect the program will begin next month, when the companies meet on Jan. 24 and 25 at their first Agricultural Development Clinic in Fairmont, W. Va., where the idea was originated in 1936 by the Monongahela Power Company.

Representatives of agricultural extension services, agricultural colleges and schools will participate in the clinic.

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FUTURES ADVANCE IN GRAIN TRADING-Chicago-Buying of corn futures by cash interests developed on the Board of Trade today and brought reports of further liberal sales to the Government for export purposes.

There was also buying of wheat futures, attributed to mills, against what was said to be a record export business in flour. Prices that had gone off sharply turned upward in a hurry when aggressive buying got under way. There was heavy short covering on the way up.

Corn advanced more than 2 cents a bushel from the low and finished at about top, with gains of 1 1/8 to 2 1/8 cents. Wheat was 5/8 cent to 1 cent. Barley finished 1 cent lower to 1/8 cent higher.

The upturn in corn came in the face of a break of 2 to 3 cents in cash corn, with the basis for trading off 1/2 to 1 cent compared with January.

(Turn to page 2 for other items
in today's N.Y. Times.)

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From New York Times, Dec. 10 -

COTTON FUTURES UP BY 45 TO 65 POINTS-Reflecting the strength in stocks and in other commodities, the cotton futures market on the New York Cotton Exchange rose 45 to 65 points yesterday.

There was a fair amount of price fixing against Southern mill requirements and also some buying by those who believed textile production would rise to new high levels in the next three to four months.

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From The Wall Street Journal, Dec. 10 -

HIGHER FREIGHT RATES IN THEMSELVES WON'T BOOST CONSUMER PRICES MUCH.- Using such pretexts as increased freight charges, some merchants lift prices more than is warranted. How much of this will follow now can't be measured but plainly justified increases at the consumer level should be small.

About $2\frac{1}{2}$ cents a bushel should be added to the cost of moving a bushel of wheat or corn from Chicago to New York. It wouldn't be noticeable in bread or cornflakes.

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FLOUR BUYING in the U.S. by foreign lands is zooming. The Agriculture Department last week granted 10 countries permission to buy 600 million pounds of flour in the domestic market for shipment during the first 1947 quarter. Millmen say supplies will comfortably care for these exports without squeezing home users. But they also say foreign buyers would take a billion pounds if the Government approved. A volume that heavy might pinch the home front.

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CORN EXPORTS will probably get Government sanction for a steep jump in the first quarter of next year. The big home crop and sharp foreign demand will be responsible. In the current quarter the Agriculture Department approved exports of some 10 million bushels. Over 25 million bushels may be okayed for India (staggered by rice scarcity) alone in the first three months of 1947.

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THE COAL STRIKES end forestalled heavy damage in the nation's corn hoard. Most of the 1946 corn is of high moisture content. To prevent spoilage elevators must dry it out. And the driers operate with coal. Many millions of bushels faced deterioration before John L. sent out the back-to-work order last Saturday. The grain is safe now.

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MILLFEED MARKETS are demoralized. Millfeed is bran--a key item in livestock diet. Bran is currently selling in Kansas City at \$40 a ton. Not many weeks ago it brought \$80. Bran is a flour-milling by-product. And heavy flour grinding, plus a big crop of corn (king of feeds) tells the story.

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From the New York Journal of Commerce, December 10 -

COTTON CROP FOR U. S. HITS 25-YEAR LOW - The raw cotton supply situation officially became tighter yesterday as the Department of Agriculture in its last report of the current season estimated domestic production at 8,482,000 bales as of Dec. 1, a drop of 5,000 bales since a month ago.

Domestic consumption this season, as estimated by the National Cotton Council over the week-end, was forecast at 10,000,000 bales, more than 1,500,000 bales above production.

Foreign demand of about 3,000,000 bales, in addition to the excess domestic off-take of 1,500,000 bales, will cut sharply into the 7,522,000 bales carryover from last season. Based on these figures, the total stocks on hand at the end of this season will be only 3,000,000 bales. More than 2,000,000 bales of this cotton was said to be untenderable on futures contracts.

The tight supply situation was foreseen as continuing through the 1947-48 season. As indicated by the recommendation of Secretary of Agriculture Anderson recently, acreage planted to the next crop will be 26 per cent above acreage as of July 1, 1946. Trade quarters noted, however, that acreage in recent years was always below recommendations. . . .

Current production remained the smallest since 1921, when only 7,954,000 bales were grown and ginned. Final production for the 1945 season was 9,015,000 bales and the ten-year average for 1935-44 was 12,553,000 bales. Yield per acre was the lowest since 1936, when it was 199.4 pounds per acre. In 1945, yield was 253.6 pounds and the ten-year average for 1935-44 was 243.8 pounds.

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CONGRESS TO X-RAY UN'S FOOD GROUP - Subject of the next Congressional food investigation will be the operations of the Food and Agricultural Organization of the United Nations with respect to agricultural items in short supply.

That means notably sugar and oils and fats.

The promise comes from August H. Andresen (Rep., Minn.), who is slated to become chairman of the House Committee Investigating Food Shortages. Andresen believes the committee may turn up evidence of ampler supplies in sight.

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SUGAR ALLOTMENT RISE TO BE MODEST - While the sugar committee of the Food Industry Council had recommended an increase in allotments next year to 35 pounds for household use against 25 this year and a rise from 60 to 80 per cent for industrial users, it is becoming apparent that official Government thinking is opposed to such a rise.

Over the week-end Secretary of Agriculture Anderson stated that barring "unpredictable disasters" the allotment to household users would be increased after April 1 by five pounds and to industrial users by 10 per cent. James H. Marshall, director of the sugar branch of PMA, USDA, had indicated such a prospect at the convention of the American Bottlers of Carbonated Beverages, Miami, on Nov. 21.

Both indicated that further increases might be possible if the sugar situation continues to improve, but that is all that is promised for the time being.

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CITRUS JUICES AT SEASON'S LOW - Price declines continued in the canned citrus market, with new low levels for the season established yesterday and in nearly all instances prices were at the lowest schedule in several seasons.

Despite this development, the outstanding feature remains the absence of substantial demand, with traders assuming that many buyers are standing by waiting for the market to touch "bottom."

(Turn to page 4 for other items from today's N. Y. Journal of Commerce.) - - -

Farm Digest 2635-46-3

From the New York Journal of Commerce, December 10 (Cont.) -

COFFEE UP AGAIN - The coffee futures market repeats Friday's 1¢ a pound rise with a similar gain, responding to limited new buying for Brazil account which attracted short covering. With March at 23.80¢, the price is only 1.20¢ a pound under the initial sale on Oct. 21 when postwar trading resumed. In the actual market buyers are resisting the new asking prices for green coffee.

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FLOUR - More mills advance prices for flour, with further increases expected in view of continued heavy export demand, growing order backlogs and weakness in millfeed prices. Offerings to domestic market are limited to deferred shipment.

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CANNED FOODS - Market is featured by more price declines in citrus products, with new lows for the season established. Buyers, however, are in the sidelines waiting for further drops. Other developments in the trade are purely routine.

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OTHER MARKETS - Trading in turkeys extremely dull . . . Live fowl weak and lower, port demand for medium eggs excellent . . . Cheese prices off folter again advances. Further weakness in dried fruits reported . . . Spot black pepper held at 70¢.

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OTHER NEWS - Canned foods consumption has nearly doubled since the war's beginning, Carlos Campbell tells Maine Cannery Association convention.

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URGES FARMER PARTICIPATION IN MARKETING-San Francisco - The nation's farmers need not face a postwar depression, if they accept their responsibility in marketing as their responsibility in marketing as well as growing the food products that reach the consumer's table, Mrs. R. M. Kiefer of Chicago, secretary-manager of the National Association of Retail Grocers, said here today in an address before the American Farm Bureau Federation.

"The health, and well-being, and financial security of millions Americans," Mrs. Kiefer said, "depends upon us in the food industry doing a good job in the production and distribution of food. . . .

"You today are not merely growers. You must think in terms of marketing as well. You must make effort to make your products as attractive and as salable as possible to the men who distribute them," Mrs. Kiefer said.

She pointed out that the nation's farmers must "stimulate a greater desire" on the part of the consumer to buy his products.

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From the New York Herald Tribune, December 10 -

U. N. DROPS PLAN FOR WORLD BASIS OF FOOD RELIEF-Lake Success, L. I., - On the insistence of the United States, the world's biggest feeder, the United Nations abandoned today international control of food relief to the world's hungry and starving.

America had made it clear in a prolonged dispute on continuation of U. N. control of food distribution that she intends in the future to provide food for the nations she finds need it most.

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From New York Times, Dec. 8 -

REPORT FROM THE NATION - Midwest States - National Livestock Shows Establish New Records, Omaha-Emergence of the major livestock shows after years of wartime hibernation has been greeted with enthusiasm by the Midwest.

In the number of entries, in the size of crowds and in sales, money and color, the 1946 shows set records.

The kingpin of them all, the Chicago International Livestock Exposition, is drawing to a close this week-end. The 10,940 animals exhibited in the pavillion, together with the throngs on hand to see them, packed the huge building throughout the show.

Out in the Chicago stockyards, where the car lots of livestock were in competition, entries were fewer. There were 170 car lots against as many as 400 in some previous years. Stockmen explained that the car lot show was a magnet in years when livestock prices were low and exhibitors were interested in the premium price received for their show animals. This is no such year, although the sale prices set records. A high of \$41,545 for thirty-five shorthorn bulls, and an individual record of \$7,200 for a Royal Leader shorthorn bull, were features. Nebraska and Iowa farmers were picking corn by floodlights attached to their tractors and cornpickers in order to take advantage of extraordinarily good December weather.

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From Watertown Daily Times, Dec. 5 -

MR. ICKES AND THE SUGAR SITUATION-Editorial-Harold L. Ickes told the people of this country why they are getting so little sugar. It is going to the industrial and commercial users instead. As a result, the housewife cannot get enough sugar to make her own jam but she can go to the corner grocery and buy it if she has the money. The jam manufacturers and the soft drink makers are getting the sugar which she ought to have.

Ickes brings out those pertinent facts: The country is getting 80 per cent of the sugar it formerly got. Therefore American families ought to be receiving 80 per cent of the sugar they had before the war. Instead, they are getting only 25 per cent. The rest of it is going to the commercial and industrial users.

We can get along much more easily without as much candy and soft drinks if we can get the sugar we need in our homes.

Trouble is, as Ickes points out, that the industrial and commercial users have influence at Washington. Not only are their sugar quotas constantly increased but new manufacturers are entering business all the time and they receive quotas also. Yet when the American housewife pleads for more sugar for her family, she is told that she must sacrifice so that sugar can be sent to the starving people of Europe.

Europe may be getting some of it but the commercial users are getting most of it.

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From Montgomery (Ala.) Advertiser, Nov. 24 -

COTTON LOANS-Editorial-The fluctuations of the cotton market these past few weeks has had a steadying effect generally. Nobody now expects cotton to climb to a dollar a pound, or half that figure. Growers on the whole are reacting to the decreased prices calmly and acting to safeguard themselves against further drastic declines in the market.

Notwithstanding that the average price of cotton for the past 30 days has been slightly above 32 cents per pound for strict middling grade, Washington reports that the amount of cotton under government loan jumped nearly 300 per cent last week. Although the total amount of cotton under these loans is negligible in comparison with the year's crop, the Department of Agriculture thinks it is significant that farmers are borrowing increasingly on cotton rather than selling outright.

Should the market price of cotton, however, go below the loan figure, the farmer automatically forfeits his title to the cotton under loan. But since most business men discount likelihood of a major recession for the next year or so, it seems that farmers who take the outside chance of forfeiting cotton at the loan price are not taking too great a risk.

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From Dallas (Tex.) Times-Herald, Nov. 25 -

GI FARMERS WIN PRAISE-An "infusion" of thousands of Texas GI's into the Texas farming picture, through attendance at the 6,000 to 7,000 county vocational schools for veterans taking agricultural training, will prove an economic and productive shot in the arm to the entire state, E. V. Walton, associate professor in agricultural education at Texas A & M College, told the Dallas Agricultural Club Monday.

The average age of the Texas farmer has increased to between 50 and 55 years since 1936, Mr. Walton said. In the same period, he said the total number of Texas farmers has shrunk by 25 per cent.

"By the time the average farmer has reached the 50-55 age, his major purchases have pretty well been made, and his farming practices grooved," the speaker said. "The average age of the GI trainees, on the other hand, is 29; these men are alert to new conservation and farming methods, and their ultimate aim, in most cases, is farm-home ownership."

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From Dayton (Ohio) News - Nov. 24 -

DYNAMITE IN SUGAR-Editorial-Great was the joy that OPA had been slain, controls released, a free economy restored. Hallelujahs and hosannas have made the welkin ring.

But we hear a new note amid all the joy of prices unconfined. The executive vice president of the National-American Wholesale Grocers' Association, one M. L. Toulme, has telegraphed a special bulletin to all members urging them, in their own self-interest, to take independent action to prevent another runaway sugar market. The removal of price and rationing restrictions (which the Republicans are threatening) might bring on another such debacle as that which occurred to sugar in 1920, he warned the members.

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(The newspapers and magazines, from which these agricultural items are taken are on file in Press Service, Room 411-A. Phone Gene Harrison at 6212.)

From the New York Times, Dec. 11 -

TRADE CURBS ENDED BY TRUMAN, ATTLEE--President Truman with Prime Minister Attlee and King today ordered dissolution of the Combined Production and Resources Board and the Combined Raw Materials Board as unnecessary controls over international trade but decided on continued operation of the Combined Food Board into 1946.

In a joint statement, the three leaders paid tribute to the achievements of the boards in economic collaboration which they said "unquestionably hastened the moment of victory."

Termination of the two boards was set for Dec. 31 and that of the Combined Food Board at the earliest possible date during the first six months of 1946, but not later than June 30.

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BUTTER SHORTAGE DUE TO GET WORSE--A survey showed yesterday that most retail grocery stores were butterless, that black marketing again was rampant and that butter production throughout the nation has reached a twenty-three-year low.

The butter shortage, which has been growing steadily worse in the seventeen days since butter was made ration free, has become a subject of controversy between the Office of Price Administration and the Department of Agriculture.

National Price Administrator Chester A. Bowles wants to impose price ceilings on butterfat, trade reports say, while Secretary of Agriculture Clinton P. Anderson opposes such price ceilings. Butterfat, a milk product, was bringing 75 cents a pound two weeks ago, but not creameries must pay 95 cents to \$1 a pound.

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OAT FUTURES SHOW MODERATE GAINS--Oats futures gained moderately in the early trading today on the Board of Trade, with December leading. The latter equaled the seasonal high and sold within $2\frac{1}{2}$ cents of the ceiling price, while all transactions in cash oats were at the ceiling price plus one mark-up. This was the first time this season the maximum level had been paid generally for cash oats.

There was a fair trade on in December wheat, largely in the way of evening-up operations, as no new trading is permitted. Futures closed unchanged to $\frac{1}{4}$ cent higher, with December and May at the ceiling. Rye was dull and $1\frac{1}{8}$ cents higher to $\frac{3}{4}$ cent lower, the latter on September. Corn held unchanged at ceiling prices, and barley was unchanged to $\frac{1}{2}$ cent lower.

A shortage of box cars to move cash oats from the Northwest for delivery purposes was reflected in a wider spread between December here and in Minneapolis.

Comments on the new winter wheat crop are becoming increasingly less favorable, as the result of continued dry weather in parts of the West and Southwest. Corn trading was nil, except for spreading between December and May, at ceiling prices. Cash corn was in somewhat larger supply, but carlots sold at ceiling prices, with a broad demand for the offerings.

Operations in rye were somewhat restricted, as traders awaited further developments in regard to the new ceiling on the 1946 crop, which will go into effect on June 1, but which might be changed as the result of hearings held last week at Washington.

(Turn to page 5)

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From the New York Wall Street Journal, Dec. 11 -

BOWLES ASSERTS PRESSURE OF INFLATION IS DELAYING END OF PRICE CONTROLS, Washington - The Office of Price Administration is behind "by quite a margin" in its program for cutting down price controls, Administrator Chester Bowles said.

De-control will be slowed down as long as "economic pressures" continue, Mr. Bowles declared.

He said that his agency's de-control schedule has been based on estimates of large unemployment and falling retail sales, neither of which has materialized.....

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OLIVER DESIGNS PLOW WHICH REJUVENATES SOIL, ADDS TO CROPS, Chicago - A new plow that will increase farm production by rejuvenating the soil has been developed by the Oliver Corp.

R. J. Atgelt, chief engineer of the company's plow division, said that it had boosted potato yield on a farm in Pennsylvania by 76 bushels an acre. In another test near South Bend, Ind., land prepared with the new plow "grew more wheat than it had ever produced," Mr. Atgelt said.

The new plow has additional bases set a few inches below, behind and to one side of the upper bases which are adjusted for conventional plowing. The lower bases by widening and deepening the cut crumble the plowpan, or hard underoil hitherto left untouched, mixing it slightly with the lower portion of the top soil.....

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EXHAUSTIVE TESTS SET PATTERN FOR SHIPPING FRUITS AND VEGETABLES BY AIR - San Francisco - A pattern for future airborne shipments of fruits and vegetables has been cut in the skies between the West Coast and major eastern cities.

For example, the test provides a practical answer to an all-important question: How much extra will consumers pay for food shipped by air?

Ralph E. Myers, a pioneer air-shipper of California's Salinas Valley, who sponsored the investigation, says "housewives gladly, and without show of sales resistance, consistently would pay an average of 10 cents a pound more than for produce marketed through other forms of transportation.".....

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COMMODITY DEALERS have invested in political know-how. They are said to be paying former Senator Sam Jackson, as governor of the Commodity Exchanges and Allied Trades, Inc., \$50,000 a year for the next three years. Brokers off the record say this:

Government thinking is trending away from elaborate controls, toward free markets with the Government paying farmers the difference between what they have been promised and what the free market yields. Senator Jackson is believed to be capable of helping push the Department of Agriculture toward this position.

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FLORIDA STRING BEANS were smacked down by frost, and canners are resigned to a severe shortage of canned beans between next spring and the time the big canning pack comes to the grocer's shelves for midsummer....

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From the New York Times, Dec. 9 -

POTATO GROWERS RESENT PRICE CUT - Threats that farmers would slash output of potatoes in 1946 were heard yesterday at a meeting of the Northeast Vegetable and Potato Growers Association here, after it was announced that the Department of Agriculture had decided to lower substantially its support prices for the commodity next year.

Farmer representatives said they could see no logic behind the reduction in view of their own expected higher labor costs. Some bitterly commented on "the Federal Government's concern in regard to labor's take-home pay" and disregard of farmers' income.....

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SOVIET GRAIN TO BULGARIA, Sofia, Bulgaria - The Soviet Union has decided to lend Bulgaria 30,000,000 kilograms of corn and 20,000,000 kilograms of wheat to help replenish exhausted stores, as was recently done for Rumania, Trade Minister Dimitri Neikoff announced today. Bulgaria is not obliged to return the grain and fodder until April 1, 1947.....

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SENATOR CHARGES GRAIN DATA 'LEAKS', Washington, (AP) - Senator Elmer Thomas, chairman of the Senate Agriculture Committee, said today there were information "leaks" in the Agriculture Department and Office of Price Administration that gave some grain-market dealers an unfair advantage....

J. B. Hutson, Under-Secretary of Agriculture, told the committee he did not believe any individual had "an inside track" on information in the Agriculture Department.....

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'MAP' PLAN SCORED BY WOOL GROWERS - Condemning the wool Maximum Average Price (MAP) regulation as operating to the disadvantage of the public, wool mills and wool growers, J. B. Wilson, chairman of the legislative committee of the National Wool Growers Association, yesterday urged an investigation of the measure by the Senate Small Business Committee.

The industry, according to Mr. Wilson, is in an upside down position because of the "impractical regulations" of the order, with the mills being forced to produce unwanted fabrics, and the public being forced to wear inferior apparel. The serious clothing shortage, he added, also is being broadened through continuance of the wool MAP.....

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SCARCITY TO CONTINUE WELL INTO NEXT YEAR - Buyers who have recently spent time in the markets agreed last week that merchandise shortages in the most important lines will continue well into 1946, according to a market report prepared especially for the New York Times by Kirby, Block & Co. Particularly affected are all lines dependent upon fabrics of any type, either cotton or rayon.....

REPORT FROM THE NATION - The Upper South, Richmond - One of the most important pieces of legislation affecting the Upper South is the Bailey-Hays bill, which provides for Federal aid amounting to \$5,000,000 in the industrialization of the country's undeveloped areas, many of which are in this region. Senator Josiah W. Bailey of North Carolina and Representative Brooks Hays of Arkansas are the sponsors....

A Richmond newspaper stressed the importance of achieving a better balance between agriculture and industry in regions now almost wholly agricultural, and mentioned the importance of getting such a program into operation before the mechanical cotton picker threw thousands out of work.

Conservatives and foes of Federal spending hereabout point to the smallness of the appropriation as reassuring. They believe that much can be done, however, with this sum, which is to be spent through the Federal Departments of Commerce, Agriculture and Labor, and is to be utilized to provide technical assistance, vocational training, advice to new industries and similar services in expanding private employment and private enterprise....

The Deep South, New Orleans - Continental sugar cane growers are optimistic about prospects for increased ceiling prices and an improved parity formula.

The call of the Secretary of Agriculture, Clinton P. Anderson, for legislation to create a new parity formula met quick approval by cane growers. They agreed with his assertion that the present formula gives too high parity for some farm products and not enough for others. Sugar definitely is classed by its producers among these "others."

Washington representatives of cane interests have been informed that an increase of from 1 cent to 1 $\frac{1}{4}$ cents a pound in the ceiling for refined sugar is likely.

Describing the Government as in the sugar business "hook, line and sinker," Earl B. Wilson, director of the sugar branch of the Department of Agriculture, informed the American Sugar Cane League that the Government wants to get out as soon as practicable.

Spokesmen for the league told Mr. Wilson that the basis of most of the ills of the continental sugar industry stemmed from the price structure. Clarence Bourg, in behalf of the league, reported that prices must be set "on a basis of parity, giving to producers, refiners and distributors a fair share in the market at a reasonable level in comparison to the marketing of other foods."

Midwest States, Omaha, Neb. - Midwest farmers and ranchers are sprouting wings. Many mean it literally when they promise to "drop in" on neighbors, for the number owning and flying planes is growing steadily.

If a fence breaks anywhere on his acres, the farmer hops into his small plane and lands alongside the break for a quick repair job. The planes come in handy for checking cattle and windmills.

The fifty-odd planes now in use among Nebraska farmers is smaller than the Flying Farmer Corps in Iowa and some other Midwest States. Oklahoma has a flying farmer's organization and more than 100 flew into Stillwater last summer for a combination farming-flying meet.

Phil Sheldon, of Scotts Bluff, Neb., editor and soil conservationist, recently had 260 acres of rye seeded in eight hours by plane.

Midwestern farmers are watching closely California plane-seeding experiments into which the Department of the Interior is sinking \$100,000.....

From the Memphis Commercial Appeal, Dec. 7 -

FARM LABOR IS GONE, ARKANSAN CONCLUDES - The labor that left the farm during the war years is not coming back and mechanical farming is not a prospect for the immediate future; therefore the years of transition, when there is neither labor nor machinery will be the years which will test the ingenuity of the farmer, P. E. Simmons of Osceola, Ark., concludes.... Farm Digest 2265-45-4

From the New York Times, Dec. 11 (Cont.) -

COTTON PRICE HELD IN NARROW RANGE--Although cotton futures prices held within a narrow range yesterday, the market closed steady, 5 points higher to 1 point lower on the day.

The export business continued to expand. In the trade it was reported that Italy, France and China have taken in recent weeks a total of 200,000 bales, and their needs are placed for the coming year at over 2,000,000 bales. Great Britain is also expected to be in the market shortly for 100,000 bales.

The National Fertilizer Association placed the sales of fertilizer in the cotton States from January through November at 6,415,268 tons, or 8 per cent more than the 5,944,060 tons of last year.

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WHOLESALE FOOD VOLUME RISES--Wholesale food volume in the week ended Dec. 8 showed a gain of a little more than 8 per cent over the corresponding period of 1944, according to the American Institute of Food Distribution, Inc., yesterday.

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From the Herald Tribune, New York, Dec. 11 -

2½ MILLION PAIRS SURPLUS SHOES PLACED ON SALE--Approximately 2,641,281 new pairs of shoes and boots, originally costing the Army and Navy \$13,000,000 were placed on sale yesterday in a nation-wide marketing of surplus footwear, according to Colonel Frank L. Seymour, regional director of the surplus property division-consumer goods, Reconstruction Finance Corp.

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BIG NYLON SHIPMENT MADE BY HOLEPROOF HOSIERY CO.--Gustave Frankel, president of Holeproof Hosiery Co., Milwaukee, announced that his firm had shipped today 250,000 pairs of all-nylon women's hose to 3,500 dealers in more than 1,000 cities throughout the country and planned to ship 7,000 dozen pairs of men's nylon hose to the same dealers next week.

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CANADA AND U. S. MOVE TOWARD PACT ON CREDIT--First steps toward conclusion of a long-term credit agreement between Canada and the United Kingdom were taken here during the week end.

The actual agreement probably will not be signed before next year.

A group of senior British finance and trade experts conferred with Canadian officials following their participation in the protracted negotiation of a credit deal with the United States at Washington.

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From the Butchers' Advocate, Dec. 5-45 -

SEES BIG DEMAND FOR BUTTER SOON--E. E. Haskell, president of the American Butter Institute, recently predicted "within a few months" a demand for butter 50 per cent above war-time consumption levels.

"During the war consumption dropped to less than 100,000,000 pounds monthly, but I expect an increase demand that will reach 150,000,000 pounds within a few months," Mr. Haskell said.

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From the New York Wall Street Journal, Dec. 11 (Cont)

FLOUR SUBSIDIES MAY BE ENDED - Dealers have sold all the mills can produce through next June; if they would take the orders, they could be booked until the end of 1946. In the face of this demand, especially from a ravenous Europe, they declare, the 80 cents a hundredweight subsidy on flour for domestic use and the 95-cent subsidy for flour for export are absurdities.

Flour men point to the ease with which a 5-cent-a-pound increase in the price of butter was absorbed. Ending the subsidy on flour would call for only a one-cent-a-loaf rise in the price of bread.

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COFFEE IMPORTS haven't responded heavily to the Government's 3-cents-a-pound subsidy. Between 1 million and 1,250,000 bags have come in under the subsidy, most of it from Brazil's National Coffee Department, which buys coffee to keep up the price. Private owners of higher grade coffee want another 2 cents a pound.

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CIGARETTE PRICES may fall after Christmas. Holiday buying is holding them steady now, except in rare, scattered instances, in the face of huge supplies. The wartime "famine" brands are disappearing....

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INEDIBLE CANTALOUPEs have solved the mildew problem for the Imperial Valley's growers of edible ones. Nearly all the California garden spot's 20,000 acres will be planted next year in two new varieties, off-spring of the inedible, mildew-resistant cantaloupe and toothsome domestic strains. Spoilage in cross-country shipment has caused serious losses in former years..

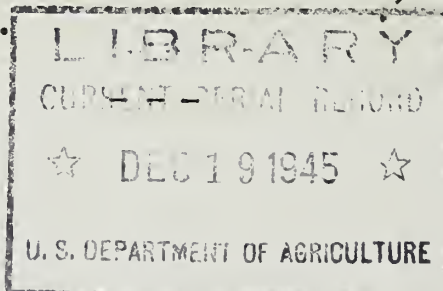
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GLOBAL BALANCE SHEET for food planned by the United Nations Food and Agriculture Organization. This balance sheet is supposed to point out danger spots of overproduction and underconsumption. Estimates would be rough now, but F.A.O. experts believe they could be made accurate by the time food surpluses are a problem. They expect this to be in a very few years.

F.A.O. thinkers want their unit's charter amended to allow it to organize world commodity control cartels when surpluses come.

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SHORTAGE OF LEATHER WON'T LAST VERY LONG TRADE ECONOMIST SAYS - Increasing availability of cattlehides--23.5 million this year and an estimated production of 24 million for 1946--indicates that leather cannot continue critically scarce for any long period, according to John H. Patterson, economist of the National Shoe Manufacturers Association.



Farm Digest 2265-45-6

(The newspapers and magazines from which these agricultural items are taken are on file In Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Dec. 12 -

WOOL FIGHT LOOMS IN NEW CONGRESS-Convening of the Eighteith Congress next month will be marked by renewal of the battle for and against continuation of Government purchase and sale of the domestic wool clip, it was learned yesterday. Both sides are girding for a fight to the finish as soon as possible. Several bills will be introduced, it was said, in favor of the growing industry, which claims that unless the program is continued the decline in flocks will be greater than has been the case during the past two or three years.

Chief among these bills will be one by Senator Joseph C. O'Mahoney of Wyoming, which would guarantee prices to wool growers for the period of the post-war adjustment, and another sponsored by Senator E. V. Robertson of Wyoming, which will ask for an extension of the Government's wool merchandising program.

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COTTONSEED PLAN STIRS RESENTMENT; PRODUCE EXCHANGE IS AROUSED OVER FUTURES TRADING PROPOSAL-Announcement yesterday by the New York Cotton Exchange that it is contemplating the establishment of trading in cottonseed oil futures aroused strong resentment among members of the New York Produce Exchange, which initiated the local market for the commodity more than forty years ago.

Commenting on the development, a spokesman for the Produce Exchange stated: "We cannot understand the New York Cotton Exchange's action in attempting to establish another futures market in cottonseed oil in New York City. The New York Produce Exchange inaugurated this market over forty years ago and has built up to a world-wide free market in cottonseed oil and has always operated in a very satisfactory manner to the oils trade.

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NEW YORK STATE AID IS ASKED IN SCHOOL LUNCHES-That the State should subsidize the school lunch program, after Federal aid lapses next February, was the consensus of nutrition experts from both public and private agencies who testified yesterday before the State Joint Legislative Committee on Nutrition.

State Senator Thomas C. Desmond of Newburgh, chairman of the committee promised to introduce legislation for the purpose when the Senate convenes in January.

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TEXTILE WORKERS GET 10 CENT RISE IN PAY-Boston-The Textile Workers Union of America, announced today a 10-cent-an-hour wage increase for 90,000 cotton textile workers in New England and the Middle Atlantic States and said "the next step" will be a demand for 15 cents hourly raise throughout the South, Emil Rieve, TWUA president, said the 10-cent boost directly affected forty-seven mills in New England, New York, New Jersey, Pennsylvania and Maryland and that individual contracts for the same terms "are expected to follow" in twenty-five additional mills.

(Turn to page 2 for other items in today's N.Y. Times.)

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From New York Journal of Commerce, Dec. 12 -

THORP CITES FARMER GAIN FROM FREER TRADE-San Francisco-Assistant Secretary of State Willard L. Thorp, bidding for farmer support for the Administration's program for world economic cooperation, said yesterday the alternative was "an ever increasing encroachment of State controls upon private trade."

In an address to the American Farm Bureau Federation, Thorp also said the United States intends to keep on doing its part to feed hungry people abroad. What the United States wants in international trade, the Assistant Secretary said, is a world organization in which countries with private enterprise economics, State enterprise economies, and combinations of the two, can work side by side to lift living standards and stabilize economic relations.

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HIGHER FERTILIZER PRICES EXPECTED-In the light of a further substantial loss in the production of Ammonium sulphate, major sources of nitrogen in fertilizers, and the exceedingly tight supply position that exists in other chemical fertilizers, it is generally expected that farmers will have to pay higher prices for mixed goods next spring.

According to reports over thirty days production of ammonium sulphate was lost in the recent coal strike.

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NO BOOM AND BUST IN FOODS, SAYS WILLIS-Only sugar, fats, oils and soap will remain in short supply next year and even these will show an improvement says Paul S. Willis, president of Grocery Manufacturers of America, Inc.

Food prices, Willis believes, have passed their peak and are headed lower as the return to a buyers' market progresses. The adjustment will be orderly, however, and not according to a boom or bust pattern, he thinks.

Prospects are bright, Willis says, if the food industry can be assured industrial peace.

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WORSTED WOOL CONSUMPTION INCREASES OVER 1945 FIGURES-Due to the great demand of worsted fabrics, American mills have been increasing their output of this construction as against woollen cloths, the latest monthly report of the National Association of Wool Manufacturers reveals.

Based on reports that September, 1946, consumption of apparel wools equaled the weekly August rate of 12,400,000 pounds, scoured, per week, the association states that "it is not unlikely that the total consumption of apparel wools in 1946 will be greater than in 1945 and will equal or exceed the record-breaking consumption in 1943 when mills used an average of 11,380,000 scoured pounds of wool weekly."

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LARGE SCALE MILL WOOL BUYING TO BE RESUMED IN JANUARY-(Bureau of Journal of Commerce)-Boston-The sudden turn about in the coal strike situation has lessened the apprehension which prevailed in the local wool market a week ago, but it has not had any appreciable effect on the demand for raw material during the past few days. Many mill buyers have indicated they will be back in the market shortly after the first of the year for substantial quantities.

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From Charlotte (N.C.) Observer, Dec. 4 -

VAST FOOD SHORTAGE-Editorial-The futility of subsidies was never better illustrated than in the present potato situation.

Secretary of Agriculture Clinton P. Anderson wrote a letter to Senate and House committees in which he said that 20 million bushels of potatoes bought this year under the price support program are likely to be a total waste.

Because of the price support plan enacted by Congress, which put the price of potatoes above that of the free market, the Department of Agriculture was forced to buy these millions of bushels with no place to store them.

Every available warehouse is full, and millions of bushels have had to be left in the field, protected only by straw. In the northern states this covering will not keep them from freezing. Surely a few ships could be got together to take these potatoes to people who would be glad to get them. It would be far better to give them away than to let them rot.

And then Congress should repeal that subsidy program.

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From Milwaukee (Wisc.) Journal, Dec. 4 -

SUGAR IN 1947-Editorial-On March 31, 1947, unless congress decides to the contrary, the rationing of sugar will end in the United States. A study of the pertinent facts raises serious questions whether congress should permit sugar control to lapse so soon.

It is estimated that world production of sugar in 1947 will be about 4,000,000 tons more than in 1946. This will permit a somewhat increased annual per capita consumption in the United States in the second half of 1947 and the first half of 1948. It will not, however, permit a sugar hungry people to use all the sugar it wants.

To insure an orderly distribution, as well as to prevent speculation, would it not be advisable to continue close control for at least the first half of 1947?

It is to be hoped that congress, soon after going into session, will make a thorough study of the sugar situation with a view to taking necessary action to prevent a dislocation in the market through the untimely expiration of the control act. If regulation of sugar distribution must be continued, it would be unfortunate indeed to permit the old law to die and then, after much damage had been done, to be compelled to restore controls.

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From Des Moines (Iowa) Tribune, Dec. 4 -

SEES BRIGHT FARM FUTURE - "I can't get very pessimistic about the future of a nation whose basic industry is agriculture," Warren W. Shoemaker, Chicago, Ill., told the Iowa Retail Farm Equipment association, Wednesday.

Shoemaker, executive vice-president of Armour and Co., pointed out that the farmers of the United States have 26 billion dollars of "quick assets" and a total debt of only eight billion dollars. He was optimistic about the immediate future prosperity of the farmers.

"Some day we'll have to get back to lower price levels, but I can't see that it is going to develop any time soon. "It looks to me that for the next two or three years, any farm surplus we have will be needed and needed badly by many nations of the world. And I think the money to buy our agricultural products will be forthcoming from some source."

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From Atlanta (Ga.) Constitution, Dec. 5 -

SOUTHERN VETS RETURN TO FARM; TENANTS, OWNERS-Southeastern farmers who put on a uniform during World War II are returning to the land to farm -- but as owners and tenants instead of laborers, the Veterans' Administration has reported here.

An estimated 75 percent of Southeastern ex-GIs who left the farm have already returned to farming. The survey reports only seven percent went back as hired labor.

Two major VA programs are making the job easier for former farmhands who want to own their own land. Through a Government-guaranteed loan, veterans can get agricultural training program offers specialized instruction in farm management and financial help through subsistence payments.

Conducted in co-operation with State Departments of Education, the on-the-farm program has already attracted more than 8,900 veterans in Georgia, Alabama, South Carolina, Florida and Tennessee.

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From Sioux City (Iowa) Journal, Nov. 25 -

IN FAIRNESS TO FARMERS-Editorial-With industrial workers constantly gaining ground in their battle for a stabilized income, for a paycheck every week in the year and other assurances of income security; no one should object to farmers seeking similar safeguards. Hence the plea of President Charles Marshall of Nebraska Farm Bureau federation to farmers to organize a united fight for a stabilized income should win general approval.

Requests from the department of agriculture for another record crop acreage for 1947 is based on the belief that there will be a world demand next year for anything in the line of foodstuffs. . . America can spare. For all that, Mr. Marshall probably is right in his prediction that farm surpluses again are to exist.

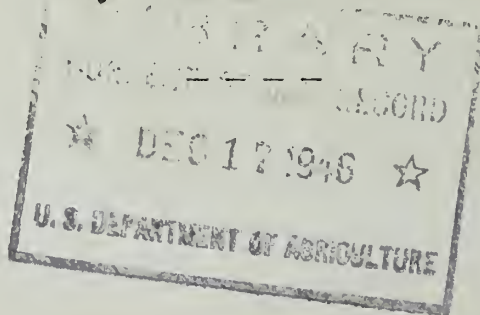
True, the government is pledged to support farm prices at near parity for a time after the end of the war. But, warns Mr. Marshall, no effective measures have been enacted to insure and maintain parity prices.

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From Cincinnati Enquirer, Dec. 4 -

THE SOAP MARKET-Editorial-While material shortages were given, for months, as reasons for the low supplies of soap which reached the market, housewives now are wondering how true that explanation might have been. They noted, soon after retail prices had been advanced, that some soap became increasingly plentiful. A day or two ago at least one chain store group advertised soap powders for sale without limits. Bar soaps still are on the "hard-to-get" list.

While it seems reasonable to believe that at least a portion of the increased supply can be traced to the increased amounts of available fats from livestock, still, Mrs. Housewife reasons, considerable time must be required for processing those fats. She had been warned that "many weeks" would pass after the lifting of livestock ceilings before the soap market could reflect the gain. She is glad, of course, that additional soaps are available. It cannot be said she approves of the price boost. But above all she wonders how the feat was accomplished.



Farm Digest 2655-46

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★ DEC 18 1946 ★

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, Dec. 13 -

FARMERS URGE ALL TO AID FULL OUTPUT-San Francisco-The American Farm Bureau Federation, winding up its annual convention here today, called for the immediate undertaking of studies looking to development of a permanent agricultural program corrective of "The basic causes of disparity between agriculture, labor and industry."

The delegates from forty-five states and Puerto Rico recognized by resolution "the desirability of full agricultural production."

They gave notice however, that "agriculture cannot maintain full production if industry is going to maintain rigidly high prices by cutting down production and applying monopolistic controls, or if labor is going to insist upon maintaining high wage rates and to continue such increases in wages without regard to productivity and to enforce such rates with scarcity policies which discourage consumption and throw people out of work and on to relief rolls."

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UNRRA FOOD MISUSE FOUND BY WHERRY-The United States should contribute food to needy European countries only on a "direct delivery" basis, Senator Kenneth S. Wherry of Nebraska declared here yesterday.

Returning from Europe Senator Wherry criticized the United Nations Relief and Rehabilitation Administration's handling of food distribution, charging that UNRRA supplies, most of which are furnished by the United States, had been diverted in the Russian occupied areas he visited.

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BACK FOOD GROUP, LA GUARDIA URGES-St. Paul-F. H. La Guardia, retiring as UNRRA director-general, warned American farmers tonight "not to be caught off guard" by present favorable agriculture conditions and to support the International Food and Agriculture Organization.

Speaking to more than 3,000 Northwest farmers the former New York Mayor urged them to "see, hear and say a hell of a lot," to halt efforts of "speculators, gamblers and ticker-tapers" to scuttle the FAO, which he saw as the hope of Agriculture.

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FARM PRODUCTS PRICES DECLINE-Washington-Average primary market prices were unchanged for the week ended Dec. 7, as lower prices of agricultural commodities balanced increases in all other major commodity groups. The index of commodity prices prepared by the Bureau of Labor Statistics remained at 139.1 percent of the 1926 average, 3.2 percent higher than the first week of November, and 30.6 percent above a year ago.

Prices of farm products declined 0.6 percent during the week, largely because of lower quotations for grains and eggs.

(Turn to page 2 for other items
in today's N.Y. Times.)

From New York Journal of Commerce, Dec. 13 -

TOP AGENCY SET UP TO ASSUME ALL CONTROLS, EXCEPT HOUSING IN FINAL LIQUIDATION PROGRAM-Washington-Final liquidation of the Federal agencies established to control the nation's economy during the war was today lodged with a new agency--the Office of Temporary Controls--which will take over the remaining war programs except housing.

In announcing the change, President Truman said that Major General Phillip E. Fleming will head the new agency.

The President transferred to the new agency the functions of the Office of War Mobilization and Reconversion, the Office of Economic Stabilization, the Office of Price Administration, and the Civilian Production Administration.

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TANNERS WILL FIGHT LEATHER TARIFF CUT-Any move to reduce the present United States leather import duties will meet with stern opposition from domestic producers, representatives of the tanning industry warned yesterday.

Preparing for a fight on the issue at the forthcoming hearings on proposed reciprocal trade agreements with eighteen countries, the Tanners' Council of America lashed out at foreign "discrimination" against United States importers in the world's hide and skin markets.

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PRICES RECEIVED BY FARMERS-Editorial-Prices received by farmers for their crops and livestock declined in November from the peak October level. The average was 263 percent of the 1909-14 level last month, as compared with 273 percent in October.

The recession in prices received by farmers from the October peak is likely to go considerably further next year. Declining farm prices will probably lead to new demands for price support measures, as has occurred so often in the past. No matter how high farm prices may go in response to temporary influences, once they start down agitation develops for relief measures. This happened after World War I, and we may anticipate a recurrence of demands for Government action to return to peak price levels this time.

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WILL MEET 1947 SACCHARIN NEEDS-St. Louis-Monsanto Chemical Co., a major manufacturer of saccharin, announced today that it expects to meet all normal requirements for the sweetening agent on a current basis during the early part of 1947 and that appreciable gains on the backlog of demand would also be made.

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SEE CANNING CROP ACREAGES MENACED-Madison-Vegetable canners in Wisconsin have found it a difficult problem to contract with farmers for crop quotas of canning vegetables due to the wartime boom in dairy products, according to Marvin Verhulst, secretary of the Wisconsin Canners' Association.

Canning crops are forced to compete with the forage crops that can be transformed into milk, he noted, stating that all signs point to a continuing boom in the dairy market at least for the first half of next year, while vegetable processors are uncertain about their market and the prices of their products during the same season.

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From Baltimore Sun, Dec. 12 -

MR. TRUMAN MUST ACT NOW TO CUT THE TREASURY'S FARM PROGRAM LOSSES -

Editorial - The Republican leadership in the new Congress has been going over the various wartime statutes with an eye to cutting down the President's emergency powers.

In one area immediate action to suspend wartime provisions is not only feasible but urgent. This is the program for wartime support of farm prices. The public knows in a general way that farm price support extends by law for a "two-year" period beyond the war.

There is now no reason whatever to continue the wartime food program beyond the narrowest meaning of the law.

We already see the truth of that in the awful mess we have got into by extending the wartime price program in potatoes into the present crop year. There has been a spectacular overproduction and millions of bushels of potatoes are now rotting in the fields. Government losses under price-guarantee commitments will run to perhaps \$80,000,000. To lessen the chance of similar debacles in other farm lines, the President must issue a presidential proclamation by December 31 or earlier and so terminate the guarantee period January 1, 1949 -- the earliest date now possible under present law.

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From Minneapolis (Minn.) Tribune, Dec. 7 -

TROUBLE SOONER THAN EXPECTED - Editorial - Farm prices are beginning to soften. During the first week of December we have seen wheat off 20 cents a bushel, corn down 13 cents, eggs slipping, cotton dropping \$4 a bale in two days and lard and hides under heavy pressure.

At least a third of farm staples now are selling below the parity level. That means that further declines will bring demands for government action to get the Steagall amendment into action.

Secretary of Agriculture Clinton Anderson has recognized the situation. In a letter to the chairmen of the congressional agriculture committees and the ranking minority members of those committees he has called for a joint conference at an early date to consider the problem of price support policy.

Anderson, in his letter, points out the problem already presented by potatoes which has resulted in a surplus of 20 million bushels of this commodity. These surplus potatoes undoubtedly will be a total waste, rotting for want of takers even on a give-away basis. Anderson points out, too, the fears of the poultry industry about the situation in 1947. Though he did not specify it, he might have pointed out also that we are heading rapidly into price trouble in wheat.

All told, the nation appears to be headed for trouble on the farm price problem much sooner than had been anticipated even by the most pessimistic observers.

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From Topeka (Kans.) Capital, Dec. 6 -

PRODUCTION ONLY SOLUTION TO POSTWAR READJUSTMENT SAYS CHESTER DAVIS - Only with full production will agriculture and industry overcome the problems of postwar readjustment, Chester C. Davis, president of the Federal Reserve Bank of St. Louis and former AAA and WPA chief, told more than 2,000 Eastern Kansas farmers last night. They applauded loudly when he said the only solution to present problems is "thru the cotton good, and not special priority for any one group."

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From Portland (Ore.) Oregonian, Dec. 4 -

FARMERS HAVE QUICK ASSETS - An important factor in the economy of the nation at the present time is the fact that the farmers have $2\frac{1}{2}$ dollars of quick assets, such as cash, war bonds and bank deposits, for every dollar of indebtedness, W. S. (Bill) Christensen, president of the Commercial National Bank of Hillsboro, declared in Portland Tuesday. Just back from an 8,000-mile automobile trip, Christensen pointed out that this splendid financial position of the American farmer was a reversal from that prevailing after the first world war. After World War I, he said, the farmers had one dollar of quick assets for every $2\frac{1}{2}$ of indebtedness.

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From Burlington (vt.) Free Press, Dec. 6 -

VERMONT MILK CONTROL BOARD SURPRISES BY REDUCING THE PRICE FOR LIGHT CREAM Montpelier -- The Vermont Milk Control Board in a surprise order today dropped the existing minimum price for light cream and set the minimum price on heavy cream lower than expected.

The retail price minimum for a half-pint of light cream, 18 to 20 per cent butterfat, was reduced from 20 to 18 cents, pints from 38 to 34 cents and quarts from 72 to 58 cents.

For heavy cream, from 38 to 40 per cent butterfat, the board set the retail minimum at 33 cents a half-pint, 62 cents a pint and \$1.22 a quart.

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From Charleston (S.C.) News and Courier, Dec. 8 -

MECHANIZATION CUTS COTTON FIELD HOURS, FLAME THROWER USED - In South Carolina full mechanization has cut the man-hours to produce an acre of cotton from about 133 to about 19 according to a recent news bulletin of the Agricultural Insecticide and Fungicide association.

The article went on, "In Alabama the figures were 100 hours per acre with man labor and mule power, cut to about 29 hours with mechanization. In the Mississippi delta the man-hours came down from almost 140 to less than 13."

"This will inevitably mean lower production costs, enabling the farmer to sell lower than necessary and yet realize a profit commensurate with good living standards," the bulletin said.

The list of mechanical devices for the cotton farm has swelled until now it includes tractor-powered plows, listers, cultivators, rotary hoes, flame cultivators and choppers, tractor and airplane dusting and defoliating devices and mechanical pickers.

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From Indianapolis (Ind.) Star, Dec 7 -

REMC SUCCESS CAN BE CONVERTED - Indiana's 44 Rural Electric Membership Corporations, which were regarded as a doubtful financial venture a decade ago, are so successful that they already are becoming big businesses and, in the not distant future, it must be determined who will own these utilities.

Claude R. Wickard, Administrator of the Rural Electrification Administration, had an opportunity to explain to many of the leaders in the rural electrification movement, the two courses these corporations can take when their government loans are paid.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 4144. Phone Gene Harrison at 6031.)

From The New York Times, Dec. 16 -

CAPPER HINTS HE FAVORS CONTROLS TO AVERT UNWIELDED FARM SURPLUS-Washington-Senator Capper, Republican, of Kansas, slated to head the Senate Agriculture Committee, indicated today that he favored farm production controls under the Government price-support program if necessary to prevent unsaleable surpluses.

While the Government has promised to bolster prices of most commodities at 90 percent of parity for two years after the war officially is ended, Mr. Capper said that this did not solve American agriculture's post-war problem.

"Unless a profitable market can be found for unlimited production, it would be no kindness to producers to encourage production of unsaleable surpluses of any farm commodity," his statement observed.

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INDUSTRIES ASSAIL TARIFF REDUCTIONS-Both the cotton and rayon textile weaving industries will protest any decrease in tariff rates in briefs to be filed this week with the Committee on Reciprocity, it was learned over the week-end.

Tanners and shoe manufacturers also will file separate briefs calling for a hands-off policy on current tariffs.

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PRICES FOR WHEAT CLOSE TO RECORDS-Chicago-Prices of grains moved higher last week on the Board of Trade with wheat in the lead. The January delivery of that cereal sold at \$2.15 $\frac{1}{4}$ a bushel at one time, or within 2 $\frac{3}{4}$ cents of the highest figure since 1920, while cash wheat went to \$2.22 for No. 2 hard wheat and \$2.35 for No. 2 red, new peaks for twenty-six years and with six exceptions the highest prices in 100 years, according to available records. The only times when wheat was higher than it now is was in World War I and the Civil War.

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CUBAN GOVERNMENT TO NEGOTIATE FOR SUGAR SALE EXCEPT TO U.S.-Havana-The sale of 300,000 tons of 1947 Cuban sugar crop to countries other than the United States will be negotiated between the Cuban Government and the Governments of the purchasing nations, according to the provisions of a decree published today.

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LOW LARD PRICES STOP SALES RESISTANCE: 25c RATE IS REGARDED AS A 'LOSS LEADER'-Chicago-Lard, a scarce commodity so far as the housewife is concerned, has reached a price level where there is no longer any sales resistance of consequence. Many local retail outlets here advertised it at 25 cents a pound for week-end sales. However, the low price was regarded as a "loss leader" to attract customers. (Turn to page 2 for other items in today's New York Times.)

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From New York Times., December 16 -

MEN'S WEAR DEALERS WOULD COMBAT TREND TO PRICE RISES-While men's wear manufacturers are exerting every effort to keep prices in line, leading retailers are anxious for inter-industry conferences to discuss means of resisting upward price trends which may discourage consumer buying, according to the National Association of Retail Clothiers and Furnishers. Many dealers have lowered their historic mark-up levels in order to overcome consumer buying protests, it also was pointed out in the monthly survey of the group's business committee.

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INCLUSION OF ADS IN DRUG ACT URGED-Amendment of the Federal Food, Drug and Cosmetic Act to include advertising is strongly favored by the majority of the drug industry, trade sources asserted last week. Support for the move was said to grow as manufacturers continue to be involved in actions before the Federal Trade Commission over whether they should be required to include warnings and explanations in their ads as they are on their product labels. Proponents of the plan contend that the present arrangement is a factually clear state of dual administration, of two Government agencies operating in the same field.

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From Journal of Commerce, New York, Dec. 16 -

LARGE MEAT OUTPUT EXPECTED IN 1947-Next year will be one of large meat production, possibly larger than in 1946 or a third more than was produced on the long time average before the war, John Holmes, president of Swift & Co., told stockholders yesterday in the annual report.

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SUGAR FREIGHT RATES TO RISE JANUARY 1; HIGHER PRICES SEEN PROBABLE-On or about Jan. 1 freight rates on dry sugar will be increased by 20 percent or a maximum per 100 pounds of 10c as a result of the recent average rise of 17.6 percent granted to rail and water carriers. Freight rates on liquid sugar and invert sugar will be increased 20 percent with no maximum limitation. With the freight rates and the prospect that the Cuban duty will revert to the treasury, some sugar observers expect further advances in sugar prices. During the year four advances have been recorded.

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From Wall Street Journal, Dec. 16 -

U.S. URGED TO EXPORT 700 MILLION BUSHELS OF GR IN BY JUNE 30; NATIONAL PLANNING ASSOCIATION WOULD AVOID HIGH RESERVES-Washington-Exports of grain substantially above the 400 million bushels now planned by the Government are recommended by the business, labor, agriculture and international committees of the National Planning Association.

An additional 300 million bushels of grain could be spared by this country, according to the N.P.A., a non-Government group. Should this recommendation be adopted and carried out, exports of cereals for the crop year ending next June 30 would total 700 million bushels.

Besides the need for the grain in European and other nations, the N.P.A. said that unless exports are boosted to this figure, this country would be faced with a carryover of wheat of over 200 million bushels on June 30, 1947, and a corn reserve of around 500 million bushels on October 1.

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Farm Digest 2675-46-2

From Wall Street Journal, Dec. 13 -

NEW FLOORS FOR FARM PRICES WILL BE LAID NEXT YEAR - Bureaucrats and tillers alike are dissatisfied with present parity price supports. Anderson points to plethoras of potatoes and eggs as horrible examples. He has called a conference of Congressional leaders to discuss other plans.

Farm groups plug a new scheme known as "forward pricing." The Agriculture Department would (1) set a production goal for the year-off harvest, (2) estimate what price would encourage this supply, and (3) guarantee that return to planters.

Present high wartime "floors" could last until 1950. The new scheme's proponents claim the way to reconvert farming is to give agriculture a peacetime program now.

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From St. Paul Pioneer Press, Dec. 3 -

MINNESOTA FACES DUMPING OF MILLION BUSHELS OF POTATOES - A million bushels of harvested Minnesota potatoes, or about ten train loads, are in danger of being dumped out as waste next spring due to the lack of practical ways to get them into the mouths of poor and the hungry, it was revealed Monday.

The waste of good potatoes from the entire Northwest's bumper crop is likely to run well up into the millions of bushels, and nationally the total supply that may be dumped is estimated officially at 20 million bushels, it was disclosed.

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From Dallas News, Dec. 8 -

RAMIE MENACES COTTON'S THRONE - Recent developments which threaten to make ramie, the world's strongest vegetable fiber, a major competitor of cotton, is causing intense excitement in many areas of the Deep South and in Texas.

What suddenly puts the so-called wonder fiber into the fore-front of textile fibers is the successful peeling (called decortication) of the plant on a commercial scale after centuries of futile effort in that direction which kept ramie largely an Oriental household industry.

First large-sale decortication of ramie fiber is at Belle Glade, Fla., where Florida Ramie Products Corporation has set up a plant with an estimated \$300,000 investment.

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From Erie (Penn.) Dispatch-Herald, Nov. 29, -

YES, WE HAVE POTATOES-Editorial- Government is counting on the good appetites of school children to eat its way out of the potato surplus. Millions of bushels of surplus potatoes have been bought by the Government to support prices, and, after the Agriculture Department had sold all it could for starch, alcohol and stock feed, it is now giving potatoes away by the carloads to schools and institutions. The Government-sponsored school lunch program provides a way.

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From Boston Globe, Dec. 6 -

WHERE'S THE SUGAR? - Editorial - Continuation of the sugar shortage, so-called, has begun to elicit roars of disapproval from several directions. Evidently, this will be one of the questions explored by the incoming Congress next month.

At present the whole subject is befogged by dispute. Mr. Harold Ickes charges that the inability of housewives to obtain enough sugar for home-cooking purposes results from a government-sponsored arrangement, which diverts most of our domestic supply to favored soft drink, candy and food industries. He demands a change to restore the woman in the kitchen to command over her family's food provisioning.

At the same time, 21 consumer industries have asked the Secretary of Agriculture for a boost in their allotments from available supplies. They feel that this can be done without causing any serious interruption to the program for sugar shipments abroad. Meantime, from Cuba come new reports of overabundance.

The best answer to all these contradictory bits of news would be a speedy Congressional inquiry. The continued blockade on home cooking is certainly adding to the financial problems of many households.

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From Baltimore Evening Sun, December 10 -

PRODUCE PERILED BY REFRIGERATOR CAR SHORTAGE - Baltimore railroad officials today warned that perishable produce "will rot in the fields" in the next seven months unless more refrigerator cars become available.

Their prediction is based upon records of past movements of perishable foods and on Department of Agriculture estimates.

They said "a few new refrigerator cars" are slated for delivery in the first half of 1947, but that "shipment conditions will be worse than in the first half of 1946."

"With the war over, our nation's peacetime economy is affected by a nearly ten per cent increase in population and a shortage of equipment needs," said one rail executive. "That means several million more mouths to feed. It also means getting the food to them."

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From Paterson (N.J.) Call, Dec. 5 -

MORE MEAT AHEAD AND CHEAPER TOO - Editorial - Meat prices are still too high to convince Mr. Average Citizen that the problem of keeping this staple food requirement on the American family table has been solved satisfactorily by the administration. But the U. S. Department of Agriculture's latest report indicates that we can look forward to a continued improvement now that the venerable law of supply and demand, as constant and reliable as the law of gravity, is again being given recognition in governmental circles.

We are told the cattle population of the United States is now at a near-record figure, indicating that beef and veal production this coming year will approach the all-time high level of 84 pounds per capita of 1945. Much of that output, however, went overseas to our armed forces and to Russia as lend-lease, so that civilians here had a market to draw on of about 70 pounds per person. So it is a certainty that there will be more meat for home consumption in the year ahead.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison on 6031.)

From New York Times, Dec. 17 -

NEW THREAT LOOMS TO SOAP PRODUCTION-AGRICULTURE DEPARTMENT IS FOR BOOST, WITH STATE, COMMERCE OFFICIALS OPPOSING STEP-Final decision on how much soap will be available for United States consumers in 1947 is being held up by conflicting opinions at Cabinet levels, trade sources stated yesterday. World allocations were to have been announced by the International Emergency Food Council last week-end, they stated, but were delayed by the disagreement.

The Department of Agriculture has taken the position that the United States should have more edible and inedible fats and oils in 1947 than were allocated during the 1945 and 1946 periods. The Departments of State and Commerce have taken the opposite view, trade circles said, because of foreign policy considerations.

STRACHEY FLYING TO U.S. WITH BRITISH FOOD PLAN-British Food Minister John Strachey is flying to Washington in an effort to persuade the United States Government to increase its wheat allocation to Britain and thus prevent a cut in that country's bread ration, Reuters reported from London last night. He will go on to Washington tomorrow.

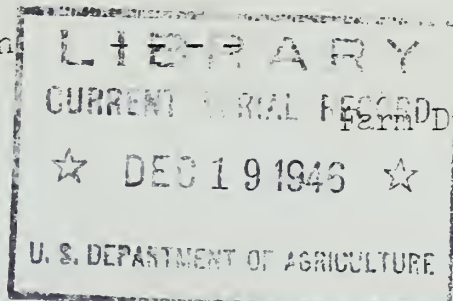
SEE NO PRICE RISE IN COTTON TEXTILES-Cotton textile prices will remain firm in the face of the 10-cent hourly wage increase granted by northern mills, effective the first week in January, according to Worth Street commission men yesterday. Sales currently being made for delivery in the second quarter of 1947 are at prices which prevailed prior to suspension of price control on textiles, they said.

Wage increases granted by the northern mills are the forerunner of similar increases in the South, commission men said, if the pattern of increases follows those of last August when an 8-cent-per-hour advance was made throughout the industry.

ALASKA IS BOOMED AS PULP AND PAPER SOURCE-Washington-Alaska appeared today to be on the verge of new industrial development. "Conversations have been under way for many months with several interests who are actively seeking to develop the pulp and paper industry in the territory," J. A. Krug, Secretary of Interior said.

He estimated that Alaska could produce 1,000,000 tons of newsprint a year, a quarter of the nation's needs.

(Turn to page 2 for other items in today's N.Y. Times.)



Farm Digest 2685-46

From New York Journal of Commerce, Dec. 17 -

U.S. SUPREME COURT BACKS MILK ORDER-Washington-The Supreme Court today unanimously rejected efforts by the Seeley Dairy of Chicago, to Challenge a Federal milk marketing order in a lower court.

The decision was given on an appeal by the Justice Department, which contended that under the Agricultural Marketing Agreement Act the dairy was required first to take to the Secretary of Agriculture its objections to the order. The department said that after exhausting its administrative remedy with the Secretary, the dairy could take its challenge to court.

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EXPORTS DUE TO RISE \$2 BILLION NEXT YEAR OVER WIDE FRONT; HEAVY FOREIGN DEMAND FOR TEXTILES, FOODS.-A two billion dollar increase in commercial exports may be chalked up next year.

Following the 100 percent jump in non-Governmental exports indicated for 1946, this additional rise would boost commercial shipments abroad to around the \$10,000,000,000 mark.

This figure contrasts with the post World War 1 peak of \$8,200,000,000 achieved in 1920, the second postwar year.

The 1947 export expansion will be spread over a broad list of commodities. Here are some of the high spots:

Foods-Largely dependent upon supplies Congress grants for relief in war devastated countries, but with amounts inevitably large because of the huge volume on hand.

Textiles-World shortages are so acute that broad markets exist for any products that can be spared domestically.

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COTTON GOODS OUTPUT DOWN 5 PERCENT THIRD QUARTER SHOWS-Washington-Production of cotton broad woven goods (except tire fabrics) amounted to 2,182,000,000 linear yards during the third quarter 1946, the Census Bureau reported today. This was 5 percent less than in the preceding quarter, but 9 percent greater than the same 1945 quarter.

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BRITAIN'S OUTPUT OF RAYON AT PEAK-Liverpool-British output of rayon (including nylon) in October reached the new high level of 18,300,000 lbs and compared with a monthly average of 12,200,000 lbs. in 1945 and 15,100,000 lbs. in 1939.

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From Wall Street Journal, Dec. 17 -

LACK OF NITROGEN MAY STUNT NEXT YEAR'S COTTON CROP, DIXIE GROWERS CLAIM-Mississippi delta planters say fertilizer makers have cancelled 40% to 85% of ammonium nitrate shipments into their area. Without this key plant food, they lament, cotton planting will be cut and yields on what is grown will be sharply reduced. Applied to cotton fields, nitrogen makes healthier plants, heavier production.

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From Chicago Journal of Commerce, Dec. 14 -

SUGAR POLICY FACES ATTACK IN CONGRESS, Washington - Lines are being drawn for a fight in Congress over the sugar shortage.

The issue will center on the Truman administration's policy of sharing sugar produced in the Caribbean area with Europe and Canada. This policy was started early in the war in order to assure this country's fighting Allies of essential supplies.

Now that the war is over and world sugar production is increasing from the low levels to which it declined during the conflict, there are many who contend this sharing should be abandoned.

Lining up on one side are many industrial users, such as candy makers, bakers, soft drink bottlers, and food processors. Along with individual consumers, they are being rationed. They are allowed only 60 per cent of the quantity they used in 1941.

These users want more sugar. They have a potential market for more of their products than they can make with their limited sugar supplies.

A delegation of industrial users and distributors told Secretary Anderson recently that at least enough sugar should be made available to the United States in 1947 to re-establish per capita consumption to the prewar level.

Government sugar experts say this is impossible if the United States is to live up to its international obligations and is not to play a "hoggish role."

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From New Orleans Times-Picayune, Dec. 13 -

COTTON MACHINES HELD HOPE OF U.S. SAYS DODD - Washington. -Mechanization is held out by Norris E. Dodd, the undersecretary of agriculture, as one hope in the cotton situation. This may make it possible for American cotton to compete in the world market.

Price support policies cloud the whole export picture for many agricultural products. In Mr. Dodd's opinion the world price of many agricultural commodities will fall below our parity price and even below 90 per cent of parity. It is going to be difficult to persuade the taxpayer to pay the difference between the domestic price and the world price.

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From Milwaukee Journal, Dec 11 -

STATE FARMERS SEEK MORE NEW MACHINES - Wisconsin farmers need new farm implements badly. That statement -- not surprising in view of the general dearth of capital, producer and consumer goods -- was nevertheless most conspicuous at the convention of the Wisconsin Implement Dealers' association Wednesday. "The J. I. Case and Allis-Chalmers strikes have aggravated the already acute shortage," a number of dealers stated.

"If every dealer in the state had all the equipment he needed he could do \$100,000 worth of business almost overnight," said another dealer.

"Farmers may be balking a little at high prices, but in general they can and would buy almost any type of implement available," said a dealer from the northern part of the state.

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From Boston Christian Science Monitor, Dec. 11 -

UNHEALTHY FOOD PRACTICES HELD DAMAGING TO NUTRITION FIELD, New York - Because of overexploitation of discoveries in the field of nutrition, the public has been grossly misled and the physical betterment of the human race retarded, according to charges made at the New York section of the American Chemical Society by Prof. Leonard A. Maynard, Director of the Cornell University School of Nutrition.

Unsound food practices embarrassing the true nutrition scientists have resulted from exaggerated claims of benefits to be derived from vitamins, from soil treatments, from modern marketing methods, and other factors, Dr. Maynard said.

"Optimum nutrition certainly will not be accomplished by saturating the body with a few cheap vitamins, with lesser attention accordingly to other essential nutrients," he declared.

Progress in the study of human nutrition has been by no means so great as is popularly supposed, according to Dr. Maynard, who asserted that "in many respects, we know more about feeding farm animals than feeding people."

The importance of soil composition has long been evident in terms of grazing animals, but the effect of soil ingredients on human food values remains to be demonstrated, Professor Maynard stated.

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From Louisville (Ky.) Courier-Journal, Dec 8 -

THERE'S JUST TOO MUCH BURLEY -- THAT'S WHY PRICES ARE DOWN - Despite the natural disappointment of growers, with production costs and other prices for things the farmer or anybody else has to have sky-high, a factual survey of the burley tobacco situation shows that it is neither unreasonable nor surprising.

The basic explanation is that the current dilemma was born of the inexorable law of supply and demand. An obvious conclusion is that things would be tough indeed had not the farmer been cushioned with the burley pool loan -- a Government-supported price he can accept if the manufacturers and brokers' buyers don't offer him as much. Come Hell and high water, that fact is a stabilizing comfort.

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From Davenport Democrat and Leader, Dec. 13 -

SHORTAGES, BOTH LUMBER AND FUEL, BRING NEW INTEREST IN DEVELOPING IOWA WOODLOTS (AP) - Iowa farmers are becoming increasingly interested in their wood lots while state conservation commission members are authorizing some experimental studies in state-owned forest land.

Richard Campbell, Iowa State college forester, says the high demand for native lumber, coupled with the use of wood for fuel and posts has led to a new respect for Hawkeye woodlots. He urged farmers to manage their woodlands properly so that they will produce more and better timber.

Defective, poorly formed and weakened trees should be cut out of lots, he said. The young, thrifty trees should be left as a basis for future production. Trees should be protected from grazing and fire.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Dec. 18 -

U.S. FLOUR TO AVERT BRITISH BREAD CUT-London-The British bread ration, which was in jeopardy yesterday when the United States Department of Agriculture announced a drastic cut in wheat shipments to Britain, has just barely been saved, John Strachey, Food Minister, announced in the House of Commons today.

Washington has allotted a tonnage of flour in addition to wheat, and as a result Mr. Strachey, who was all set to fly to the United States with the most urgent messages of exhortation and protest, has now canceled his flight.

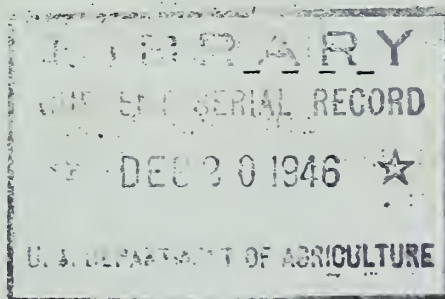
BYRNES PLEDGES REVIEW OF SHIPMENT OF FOOD ABROAD-Washington-A White House statement covering the whole question of the shipment of food abroad from the United States, with especial reference to the internal transportation situation in this country, will be issued soon, probably within the next day or two, Secretary of State Byrnes forecast at his news conference today.

The question has been the subject of conferences of the State, Agriculture and Commerce Departments as well as other Government agencies during the past few days, Mr. Byrnes said.

TEXTILE AIMS CITED ON FLAMMABILITY; PROPOSE DRAFT FOR FEDERAL LAW-A. proposed draft of a Federal law dealing with flammability of fabrics and wearing apparel was outlined yesterday at a special meeting held by the National Retail Dry Goods Association.

Hyman Fishback, counsel to the association, explained the measure. He told the seventy representatives of retailers, buying offices, garment, textile and trade association representatives present that, unless Congress takes action to enact a uniform measure for the country as a whole a "chaotic" situation would follow enactment of varying laws passed by the forty-eight States.

FROZEN FOOD GLUT OF MARKET DENIED-There is no glut of frozen food in the nation's warehouses today, Fritz Brahm, chairman of the Frozen Food Division, National Food Brokers Association, stated yesterday, Speaking at a meeting of frozen food distributors he warned that scare selling at sacrifice prices would invite a debacle which was not justified by market conditions.



From New York Journal of Commerce, Dec. 18 -

U.S. PRIORITIES SOON TO TIGHTEN BOX CAR SQUEEZE ON INDUSTRY-TO MEET CURRENT EXPORT GRAIN PROGRAM-Washington-Industry is faced with a further tightening of the already acute box car shortage.

Diversion of a large number of box cars from industrial service to the transportation of grain to sea ports is imminent. It will be accomplished through the issuance of priorities for this grain movement.

The Administration is attempting to reach a grain export goal of 12,000,000 tons during the current crop year. This, it is felt, can be accomplished only through the commandeering of additional freight facilities.

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CPA HOLDS STEEL FOR DOMESTIC BOX CAR NEEDS-Washington-Foreign requirements for new freight cars will have to take a back seat to domestic needs as the result of the ever tightening shortage of freight cars.

In a new steel preference order, issued today, the Civilian Production Administration stipulated that no freight car builder shall place any order for steel which is to be used in the production of freight cars for export, on orders received after Nov. 30, unless the builder has a written authorization from the CPA itself. All steel allocated for building of cars for export will go to meet domestic markets.

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BROADER MARKETS FOR U.S. VITAL SAYS UN FOOD AUTHORITY-Chicago-There will be a depression on a much greater scale "than the last one unless the markets are found to absorb the "unparalleled productive capacity" of America, S. M. Bruce, chairman of the Preparatory Commission of World Food Proposals of the UN said today.

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SPOT COTTON SITUATION TIGHT IN TEXAS-Houston-Country buyers continued to scour the countryside during the past week for cotton needed by shippers who were short on their domestic and foreign commitments. Reported sales for the period almost doubled those of the preceding week, being 32,542 bales against 16,027.

Growing tightness in the spot situation was the leading topic of interest among local brokers and shippers. Increasingly difficult conditions ahead were predicted after the holidays for spot shorts. A steady foreign demand, coupled with a growing anxiety on the part of mills with regard to spring shipments and a fact that only remnants of a short crop remain to be harvested, were the major factors.

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NOVEMBER COTTON CONSUMPTION OFF-Washington-The Census Bureau reported today that cotton consumed during November totaled 877,461 bales of lint and 82,321 bales of linters.

This compared with 931,229 bales of lint and 79,244 bales of linters consumed during October of this year, and 743,225 bales of lint and 83,869 bales of linters consumed during November of last year.

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From Minneapolis (Minn.) Tribune, Dec. 11 -

THATCHER URGES NEW LEGISLATION TO CUT FARM PRICE UNCERTAINTIES - Most disturbing element facing the farmer today is the outlook of agricultural prices, M. W. Thatcher, general manager of Farmers Union Grain Terminal association, told stockholders Tuesday.

Renewing his suggestion for a pay-as-you-go farm program, Thatcher said present legislation is inadequate to answer the questions of farmers who are showing grave concern over the uncertain price outlook.

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From Fort Worth (Texas) Star-Telegram, Dec. 9 -

FEDERAL HELP IS LOOKED FOR BY WOOL MEN - Unless some government program for relieving the situation is developed within the next three or four months, the wool industry will face a serious marketing problem next year, Vestal Askeu, secretary of the Texas Sheep and Goat Raisers' Association, pointed out here Monday.

The Department of Agriculture has been purchasing all domestic wool since 1943 and at present about 500,000 pounds of wool is on hand in warehouses, Askeu explained. In addition, foreign wool has been appearing on the United States market, he said. The government buying program will end April 15, 1947, less than a month before sheep raisers begin clipping the 1947 wool crop.

The picture is much better for the goat raisers, since there is no appreciable carry-over of mohair, and the demand is average to good.

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From Baltimore Sun, Dec. 17 -

CAPPER TALKS WHILE TRUMAN IS SILENT ON FARM GUARANTEES - Editorial - Senator Capper, of Kansas, now suggests Government production control in crops protected by the postwar farm-price guarantee. What the Senator says is important because he will probably head the Senate Agriculture Committee as the Republicans reorganize it. And his remarks bear rather directly on the failure to date of President Truman to declare the war over for the purposes of the farm-price provisions of the wartime price-control law.

The terms of this guarantee clarify Senator Capper's reasons for asking crop controls. If farmers are guaranteed a given price, and that a high one, they will push to increase production. This will almost certainly result as it resulted in potatoes this year. The Government expected some 378,000,000 bushels of potatoes under the price-guarantee plan. The farmers raised 478,000,000 bushels. The Government stands to lose upward of \$80,000,000 on the deal.

But why, in the face of this experience, does not the president act now to terminate the guarantee plan at the earliest possible moment?

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From Hartford, (Conn.) Times, Dec. 12 -

SHADE TOBACCO MEN FIGHT TARIFF CUT - Reviving a controversy made dormant by the war, Connecticut Valley shadegrown tobacco producers will oppose reductions in tariffs on imported cigar wrapper tobacco from the Netherlands Indies and Cuba under the reciprocal trade agreements program. The organization will take a strong stand against duty concessions in the present two-way trade pacts when hearings open in Washington.

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From Sioux City (Iowa) Journal, Dec. 9, -

10,000 LETTERS - Editorial - The tentative promise of Secretary of Agriculture Anderson that "barring unpredictable disasters," American consumers will be allowed an extra five pounds of sugar by next April 1 is of little comfort to millions of housewives trying to plan how to make their scanty store of the commodity reach through the holiday season. It is a safe guess that few households had the stamps recently validated as good through December in their possession when the announcement was made.

Up in South Dakota Mrs. William Paulson, state president of home demonstration clubs, is urging women of that area to write to Representative Karl Mundt in Washington, asking for more sugar before Christmas. The South Dakota representative promised, she says, to make a request to the sugar committee for an extra stamp to be validated, providing "he has 10,000 letters to back him up."

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From Providence (R.I.) Journal, Dec. 12 -

GRANGE HEAD SAYS CROP SURPLUSES IF UNCONTROLLED WILL SPUR SLUMP - Increasing agricultural surpluses, unless brought under control, will lead the nation into a "very serious depression," Albert S. Goss, master of the National Grange, predicted last night before the annual convention of the Rhode Island State Grange. Goss expressed concern over the 35 per cent increase in farm crops and an increase of only 17 per cent in consumption during the last five years.

In blaming the last depression on farm surplus, the speaker emphasized "we have got to find the answer to this problem." He advocated a program of flexible price floors on farm products and the diversion of any surplus products to "inferior uses." He told more than 300 attending the dinner meeting that "subsidy business is no good -- it makes beggars out of us."

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From Houston Post, Dec. 10 -

CHARACTERISTIC - Editorial - It has been very cold in New England recently as the first hard freeze of the season gripped that part of the United States with an icy hand, and over the wires comes the news of 4,000,000 bushels of surplus potatoes freezing at Arcostock, Me. They are part of an overall surplus of some 100,000,000 bushels, and it is our understanding that taxpayers of the United States have shelled out money to farmers for growing these potatoes.

Production is one thing. Distribution is another. We seem to be a bit deficient in the latter quality. For it is certainly no credit to us that we deliberately let millions of bushels of food spoil while there are hungry and starving people who could use it.

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From Greenville, (S.C.) News, Dec. 10, -

DEHYDRATED FEEDS - Some of the farm experts are looking to new dehydrating machinery to solve the year-round supply of topgrade feed at less cost for the South.

The Southern Farmer estimates that the lack of dry feed for winter use costs the South a half billion dollar feed bill each year. And it stresses that dehydration is now turning sweet potatoes, alfalfa and hay into year-round feed supplies.

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★ DEC 23 1946 ★

(The newspapers and magazines from which these agricultural items are taken are on file In Press Service, Room 4121. Phone Gene Harrison at 6031.)

From New York Times, Dec. 19 -

FIGHT PUSHED HERE ON RAYON DUTY CUT-By pressing for reduction in United States tariff rates for rayon yarn and staples, British rayon interests, in effect will destroy the assets that they sold to American investors, according to a brief to be filed by the Rayon Producers Group this week with the Committee for Reciprocity Information in Washington.

A feature of the brief will be a forthright declaration, it was learned, that rayon and cotton, continually heralded as the leading antagonists in the "battle of the fibers," can live side by side peacefully in this country if the most they have to contend with is domestic production of the respective staples.

A flood of imported staple, however, would upset the relationship between cotton and rayon, according to the brief, and do great harm to both, particularly in view of the lack of a specific duty on rayon staple, which acts to the advantage of low-cost producing nations.

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HIGHER PRICE TREND FOR WORSTEDS HIT-Protests against a trend to higher prices of worsteds has been registered by men's clothing manufacturers, it was learned yesterday. Wool mills, generally sold up through next April on worsteds, in some instances have been quoting higher figures for deliveries during succeeding months, it was said.

Clothing producers state that upward price adjustments made by them recently just about mark the end of rises, and that they fear consumer resistance if they have to adjust quotations again next year. Rising costs of trimmings also are a source of worry to the cutters-up.

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OPPOSE ANY CUT IN WOOL RUG DUTY-The Institute of Carpet Manufacturers of America will file with the Committee on Reciprocity Information a brief protesting any tariff reduction on imported machine-made wool rugs, a mill official disclosed yesterday at the annual meeting.

While declining to reveal details of the brief, he said it is designed to protect American carpet mills against foreign competition operating with lower plant and labor costs.

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From Journal of Commerce, New York, Dec. 19 -

SUGAR DEMAND UP-Sugar ration evidence available to industrial users is beginning to appear in volume and demands for spot supplies are expanding. A hearing will be held on sugar in Washington today, chiefly to acquaint the new Congress with present problems.

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From New York Journal of Commerce, Dec. 19 -

PRESSURE GROWS ON FOOD PRICES AT WHOLESALE LEVEL-Paced by sharp price breaks in canned citrus products and persistent resale pressure by distributors endeavoring to lighten inventories in other lines, weakness in canned foods has spread to the point where serious concern has developed in some industry and banking circles.

Actually, the only major canned food item which has reacted seriously since decontrol is citrus--and here the break is directly attributable to a heavy carry-over from 1945 and an indicated record 1946-47 citrus harvest.

However, substantial offerings of canned foods at resale by distributors endeavoring to balance their inventories or to realize cost or better from some higher-priced lines have tended to undermine market confidence seriously.

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LUMBER SHORTAGE DEFINITELY BROKEN, FLEMING DECLARES-Washington-The outlook now is that there will be enough building materials in 1947 to start 1,200,000 houses, to complete 1,000,000 units and for "normal maintenance needs," with enough lumber left over for \$8,000,000,000 worth of non-residential building.

This estimate of 1947 construction materials prospects was presented today by Philip B. Fleming, head of newly created office of temporary controls, to the Senate Small Business Committee, investigating the housing situation.

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HARD WHEAT FLOUR PRICES REDUCED-Hard wheat bakery flour prices were lowered 5¢ to 10¢ per cwt. by a number of mills yesterday following recent declines in wheat but the domestic trade remained slow with mills limiting offerings and buyers cautious.

Extent of PMA purchases on Tuesday had not yet been announced or the prices paid. However, one purchase by the Government was reported at \$6.04 enriched for early shipment from the Gulf but it was slated that most mills that submitted offers had stipulated later shipment owing to heavy orders on hand and shipping delays.

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From Wall Street Journal, Dec. 19 -

CELANESE PLASTIC FILM TO SACK FRESH VEGETABLES-Fresh green vegetables wrapped in transparent plastic film are expected to replace bulk vegetables on grocery counters in the next few years.

Celanese Corp. consequently is trebling its production of Lumarith (cellulose acetate) film by expanding its plants at Newark and Belvidere, N.J. Cellulose acetate film is sufficiently porous to allow vegetables to "breathe" and is therefore considered superior to viscose film for this purpose. Cellophane is an example of viscose film.

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EFFICIENCY EXPERTS DO MORE CHORES QUICKER AND WITH LESS LABOR-Chicago-How far need a man hike for a hog? What care should he lavish on celery? Is Bossy too much bother? These are sober questions to agricultural engineers, who are transplanting the "time and motion" study from factory to farm. This time and motion study, used increasingly for years by industry, is a way of finding out how to make work simple. An eagle-eyed expert watches a worker at his job, and detects which of the man's movements seem futile. Once this waste is known, the specialist invents labor shortcuts. So the worker saves himself some time--and society is enriched by higher output per man-hour.

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From Memphis Commercial Appeal, December 12 -

COTTON INDUSTRY HAS CHANCE TO BLOCK TRANSFER OF CCC CHORES TO OTHER DEPARTMENTS - Once again the cotton industry has blocked the plan to re-shuffle the setup of the cotton section of the Commodity Credit Corporation. Protests against the proposal poured into the office of the Secretary of Agriculture in such volume, after it was revealed that the plan had been revived, that last Thursday he announced that no action would be taken for the present. He added that a new study would be undertaken in the light of the protests and that it might be possible that the present organization for handling cotton would be retained. This would prevent the distribution of the CCC functions among other branches of the department.

The plan to divide the CCC was a part of the reorganization program of the Department of Agriculture with economy as its goal. Deferment of the program was obtained by the industry when it was first made known. Then when the initial wave of protests had died down, it became apparent that the changes were about to be slipped through quietly, with no announcement of intention but the revelation of an accomplished fact. The manner in which the aroused industry protested won a second deferment, one which may be permanent. For when Congress meets again it may decide that it wants no tampering with the present setup of the CCC.

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From Nashville (Tenn.) Tennessean, Dec. 12 -

CURBING THE COTTON SPECULATOR - Editorial - Cotton exchanges have failed so miserably in preventing their primary functions from being abused by speculators that they have little reason to denounce the Washington meeting called by Secretary of Agriculture Anderson to hear the Department's proposals for curbing both speculation and speculators. The resolution adopted by the exchanges scoring the purposes of the meeting and asserting their untrammelled "right of self-regulation" ill becomes these market agencies whose rules are so lax as to permit the shocking Jordan episode of last October.

Certainly the meeting summoned by Secretary Anderson is opportune and reforms are urgent. The people can no longer sit by and permit "self-regulated" exchanges to operate in such a way as to victimize buyer and seller and make the entire economy suffer.

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From Buffalo (N.Y.) Courier-Express, Dec. 12 -

SUGAR PETITIONS POUR IN ON BUFFALO CONGRESSMEN, Washington - Buffalo Congressmen today were deluged with petitions from sugar-starved constituents. Responding to an ad in the Courier-Express prepared by the food industry of Western New York, Inc., the Niagara Frontier Bottlers of Carbonated Beverages and the Buffalo Retail Bakers Association, several hundred Buffalo area citizens sent their representatives messages on the sugar situation. Representative Walter G. Andrews of the 42nd Congressional District said he already had checked on the sugar shortage at the request of canners and fruit growers in his district but added that little can be done about forcing the Administration to take steps to increase sugar supplies until the Republicans take over in Congress next year.

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From Watertown Daily Times, Dec. 11 -

SUGARLESS CHRISTMAS - Editorial - Reader after reader of The Times writes in to say that their households are completely without sugar. One letter says that there has been no sugar in the house in the past five weeks. A mother pleads for sugar for her two children. She is willing to go without herself but she feels children of school age should not be denied.

There will be hundreds of families all throughout Northern New York who will have a sugarless Christmas and yet plenty of sugar is available in the stores. Every report that The Times receives confirms this fact. Yet when Senator James M. Mcad revealed this to the O.P.A. in Washington, he was told that this was a "healthy condition."

One of the first steps of the new congress should be to investigate the sugar situation. We are informed that an increased allotment of sugar will be available by April 1st. If such an increased allotment can be made available then, why can it not be now when the need is far greater than it will be next Spring?

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From St. Paul (Minn.) Dispatch, Dec. 10 -

MEAT PRODUCTION DROP SEEN IN 1947 - The world will produce less meat for consumption in 1947 than it did this year.

Such was the prediction given in St. Paul today by D. A. Fitzgerald of Washington, secretary general of the International Food council.

Fitzgerald also forecast that sugar rationing would continue through 1947, although more sugar may be available.

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From Tampa (Fla.) Tribune, Dec. 11 -

CITRUS COMMITTEES VOTE 9-DAY SHIPPING HOLIDAY - Lakeland, No Florida citrus of any variety will be shipped out of the state from one minute after midnight, Dec. 23, to midnight, Dec. 31, provided Secretary of Agriculture Anderson approves the shipping and packing holiday recommended today by federal marketing agreement committees here.

Action on request for the holiday followed a discussion in which virtually every speaker favored in principle the holiday, which is aimed at "cleaning up the market" after heavy Christmas shipments and a normal post-Christmas price decline.

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From Evansville (Ind.) Courier, Dec. 11 -

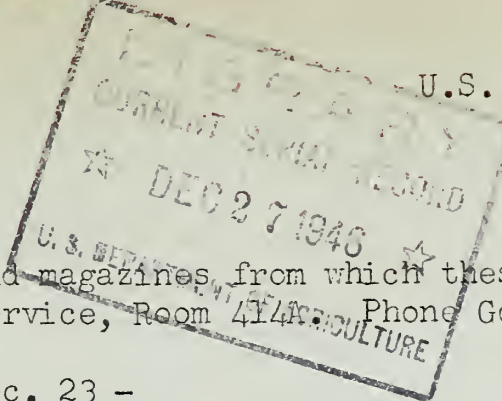
WHEAT PRICE BREAK - Editorial - The price of wheat has been falling because of almost unprecedented crop prospects for this season of the year, but the American farmer, granted a good crop next year will still receive a big income from his yield.

Responsible for the bearish trend are reports of unusually good winter wheat crop conditions. Some estimates are to the effect that a surplus of 500,000,000 bushels next year may result. This can not be definitely ascertained until the crop is in the bin. But should there be a large wheat surplus and a sharp break in the price, the producer need not sell on the open market. The wheat loan program is still in effect and congress has guaranteed that the loan will be 90 per cent of parity. Parity is \$1.85 a bushel. Today the loan figure is approximately \$1.70 a bushel.

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DAILY FARM NEWS DIGEST
(For December 23, 1946)

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.



(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414. Phone Gene Harrison at 6031.)

From New York Times, Dec. 23 -

SOUTH REVERSES TRADITION, ASKS TARIFF PROTECTION; AGRICULTURE SECRETARIES SAY FOREIGN PRODUCE MAY IMPROVERISH FARMERS-Washington-UP-Secretaries of Agriculture of Southern States opposing reduced protective tariff rates, said tonight that the purchasing power of southern farm workers would go "roaring downward" if President Truman approved pending reciprocal trade agreements with eighteen foreign countries.

C.C. Hanson, of Memphis, Tenn., secretary of the Association of Southern Commissioners of Agriculture, said in a statement that southern producers would be unable to compete with foreign producers using "cheap" labor and operating without minimum wages and social security taxes.

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SMALL FARM HELD OF GREATER VALUE SAYS SENATE GROUP-Washington-The Senate Small Business Committee announced today its conclusion that small farms are better than large holdings both for the farmer and the community he supports.

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RECORD CITRUS CROP SENDS PRICES DOWN; ORANGES, GRAPEFRUIT TUMBLE IN GLUTTED MARKETS-McAllen, Tex.-The citrus industry, which supplies 40 percent of the country's fruit, has a record crop of its worst depression in five years.

Not long ago orange and fruit growers were getting six and seven cents a pound. Today they are getting a half cent a pound. Canning plants are either closing or curtailing their output. The greatest citrus crop on record has glutted the market.

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EARLY PRICE CUT SEEN IN WOMEN'S CLOTHES-Washington-Housewives and working girls who have been fighting rising clothing prices for many months can look forward to a 50 percent slash in some lines after Christmas, a Government expert predicted tonight.

"Unfortunately, there is no such good news for the men--the only price drop I see for them soon is in sports shirts," said Theodore G. Maynard, chief of the Clothing Branch of the Textile Division of the Office of Temporary Controls.

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WORLD'S NO. 1 BREAD BASKET-Editorial-One of the saving circumstances in the world food situation during and since the war has been the combination of good farming and good fortune which has made it possible for the United States to produce a series of bumper grain crops. Apparently another chapter in that heartening record is now in process of being written for the year 1947.

The Department of Agriculture published early last week its final figures on the 1946 crops, confirming earlier estimates that wheat and corn production were at record levels.

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From New York Journal of Commerce, Dec. 23 -

FREE MARKET SOUGHT FOR ALL FARM CROPS-"Give farming its head" for a sound and lasting agricultural prosperity, is the recommendation of some 80 economists and businessmen on completion of a six months study of how to get the national economy on to a sound footing and keep it there.

Comprising the Economic Stability Committee of the National Association of Manufacturers, they declare that the time has come "to recognize that farming is a business just as truly as producing and selling shoes or automobiles, and that the law of supply and demand must be permitted to operate through free, competitive markets in the one case just as much as in the other."

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ITALY REOPENS WIDE EXPORT LINE TO U.S.: "NEW" COTTONS, RAYONS ARRIVE-Private Italian export trade with the United States has been reestablished on a sound basis which augurs well for future development, although credits will be essential over the coming months for restoration of Italy's economy.

Import manifests of incoming ships show a wide diversification of Italian shipments, with a few "new" products included with the well-known items that long have found ready markets here.

Among the "new" products Italy has shipped here in recent months, some of the most promising are printed cotton textiles and other patterned materials made out of cotton and rayon or cotton and silk.

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PRIVATE COTTON TRADING WITH GERMANY, JAPAN?-Washington-Raw cotton may be the first commodity to be returned to private trade with Germany and Japan, State Department officials said today.

However, it may take another year before this can be fully accomplished. Next step toward this ultimate goal will probably be to permit United States exporters to deal directly with the occupation authorities.

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SHIPPERS REQUIRE MORE BOX CARS-Washington-Warren C. Kendall, chairman of the Car Service Division, Association of American Railroads, announced over the week-end that shippers, receivers and carriers must all endeavor to still further develop an increased efficiency in the handling of freight car equipment.

Reviewing the current transportation situation, Mr. Kendall emphasized that all of the evidence at hand indicates a continuance of the exceedingly heavy loadings of freight cars. The demand for box cars continues to exceed the supply and deficiencies are reported in every section, he said.

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MARGARINE TAXES UNCONSTITUTIONAL-Pennsylvania license fees collected from dealers in oleomargarine have been declared unconstitutional by the Dauphin County Court, and the presiding judge issues injunctions restraining the State from collecting license fees which have been in force more than 45 years.

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From Greensboro (N.C.) News, Dec. 16 -

AGRICULTURAL COMMISSIONERS ASK ELIMINATION OF FEDERAL AND STATE OVERLAPPING - By Thompson Greenwood, N.C. Department of Agriculture, Raleigh - A proposal designed to obtain the curtailment of appropriations for any Federal agencies duplicating services already being rendered by the individual states has been given the approval of the National Association of Commissioners of Agriculture, it is announced by W. Kerr Scott, president of this group and North Carolina agriculture commissioners.

He said members of the association are of the opinion that various agencies operating under the federal government are "duplicating or carrying on programs conflicting with activities of the various state departments of agriculture."

The association has asked that its officers attempt to secure from the appropriations committees of the Senate and the House of Representatives an agreement that no funds will be allocated to any federal agency for expenditure in any state where there is duplication or conflict.

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From St. Louis (Mo.) Globe-Democrat, Dec. 17 -

LIFTING FARM CONTROLS - Editorial - Senator Capper, who is slated to head the Senate Agriculture Committee, talks sensibly of farm production controls. If the government keeps its promise to the farmers and supports prices of nearly all farm commodities at 90 per cent of parity for two years after the war is officially ended, production controls should not be lifted.

Lifting of price controls has given the farmers additional incentive to boost production, which in the past growing season has broken all records. If unlimited production is permitted during the next two or three years, and the government supports prices at a high level, the cost of this support will be huge. Scarcities may turn into surpluses. The danger of a disastrous deflation if such support is withdrawn may increase enormously.

The government should not, as Senator Capper says, encourage all-out production while at the same time guaranteeing growers prices much higher than they would receive without federal assistance. To do so would be to promote an agricultural crackup possibly as calamitous as that which followed World War I.

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From Chattanooga (Tenn.) Times, Dec. 16 -

FARMERS WARNED SLUMP MAY COME - Jackson - Prospering now on the highest income in agricultural history, farmers must gird themselves for the highly competitive future that will come when production catches up with demands, Acting President C. E. Brehm of the University of Tennessee told 4-H Club leaders of West Tennessee here yesterday.

Mr. Brehm, an agricultural leader in the state for the past 30 years, said it is the responsibility of the University of Tennessee to train the agricultural specialist who can guide the states' farmers through a postwar slump. This, he declared, is one of the reasons for increased aid to the University.

"Farmers are already uneasy about a future decline in prices," he said. "When that time does come, farming will become highly competitive and only those who employ all the scientific and mechanical advancements of agriculture will be able to survive."

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From Lancaster (Penna.) Intelligencer Journal, Dec. 16 -

AGRICULTURE AT THE CROSSROADS - Editorial - Agriculture is at the crossroads; events of the near future will have an important influence on farm conditions for years to come, according to a review by the Federal Reserve Bank of Philadelphia.

While the farmer gained a larger share of the national income, reduced his mortgage indebtedness, and increased his holdings of government bonds and liquid assets during the past five years, there is another side to the picture.

An indeterminate portion of the new "savings" came out of depletion of assets, and money must now be set aside by the farmer to replenish the soil and renew equipment.

In some areas the soil is "tired," worked out under the spur of wartime necessity when soil-conserving crops gave way to oil-bearing or high protein products and crop rotation systems were upset in some cases.

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From Indianapolis (Ind.) News, Dec. 14 -

HOOSIER FARMERS EXPECT BREAK IN '47 - Although they admit with no qualms that times were never better than they are now, Indiana farmers appear agreed today that the joy ride is going to slow down before another year passes.

A survey is being taken of more than 1,000 Hoosier farm families. Incomplete tabulations in that survey indicate that these farmers believe the break is going to start in the fall of 1947.

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From Boise (Idaho) Statesman, Dec. 14 -

THE FEAR OF SURPLUSES - Editorial - A few days ago J. R. Simplot, who handles more potatoes than any other Idahoan, came forth with an appeal that all farmers get their surplus spuds under the government loan plan in order to participate in the price support program set up to protect the market. Mr. Simplot was not acting with any motive since it is rather plain that he, as a large purchaser of potatoes, would have benefitted if the price support program is not used, as he would have the opportunity to buy potatoes cheaply.

The interesting point in connection with Mr. Simplot's appeal was the report that the government contends there is a surplus of some 100,000,000 bushels of potatoes over the nation. We think this is quite important news to Idaho and we would like to call it to the attention of that part of our citizenry that is hell bent to bring in more Idaho acreage.

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From Louisville (Ky.) Times, Dec. 14 -

IT CAN HAPPEN HERE - Editorial - Nations inevitably decline with their soil. This is what makes so important the warning of Dr. Hugh H. Bennett, U. S. Soil Conservation Service, chief, that unless something is done about it, 50,000,000 more fertile farm acres will be barren and twice that many seriously damaged within twenty years.

That is a short time and the country can't wait till the nineteenth year to arrest the progress of devastation. Steadily increasing population and steadily decreasing productive acreage can eventuate only in chronic scarcity and a struggle for existence. Dr. Bennett informs the Soil Conservation Society of America that a billion acres need treatment.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Dec. 24 -

FOOD PRICES SET A NEW HIGH NOV. 15: LATER CHECK INDICATES DECLINE FROM PEAK-Washington-Retail food prices were at record high levels in mid-November, the Bureau of Labor Statistics said today, but a later check of twelve cities indicated prices were turning slowly downward.

The bureau's major report on retail food prices in the month from Oct. 15 to Nov. 15 showed that prices in fifty-six large cities advanced 4.3 percent in that period and that they were 35 percent higher than a year ago.

They were at 187.7 percent of the 1935-39 average, and were 1.5 percent higher than in June, 1920, the peak after World War I.

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WORLD FOOD OUTLOOK IS HELD STILL CRITICAL; UN BODY CALLS FOR CONSERVATION MEASURES-Washington-The United Nations Food and Agriculture Organization, warned tonight that a food crisis still confronted the world and called on all nations to institute food saving measures immediately.

Darker flour, rationing and use of substitutes in bread-making were among conservation measures recommended to help avert hunger in Europe next spring and in the Orient later next year.

Its pessimistic report on world food supplies said production in Europe, Russia and the Orient was still far below pre-war levels and was just beginning to show signs of recovery.

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CURBS ON TIN CAN USE END ON FOODS-Washington-Unrestricted use of tin cans for packing foods and various other commodities were permitted today by the Civilian Production Section of the Office of Temporary Controls.

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APPLICATIONS FOR FARM CONSTRUCTION WILL GO TO FHA IN THE FUTURE-Washington-The Office of Temporary Controls announced tonight that, effective tomorrow, applications for farm construction would no longer be submitted to agricultural conservation committees.

Instead, applications for farm houses must be filed with district offices of the Federal Housing Administration.

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CANE SPIRITS CURB LIFTED-Washington-The regulation prohibiting the processing of imported cane spirits for beverage purposes was revoked today by the Office of Temporary Controls.

The revocation resulted from the large quantity of low grade corn available to beverage distillers, which eliminated any "immediate danger of the diversion of cane alcohol into beverage blending."

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From New York Times, Dec. 24 -

TRUMAN ESTIMATES 1947 UNRRA COSTS-Washington-President Truman advised Congress today that the United Nations Relief and Rehabilitation Administration shipments abroad in 1947 "may well amount to \$750,000,000," although plans have already been laid for winding up the agency.

"It is therefore unlikely that more than a few of the liberated areas will require further free assistance," he said.

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From Wall Street Journal-Dec. 24 -

THREE G.O.P. CONGRESSMEN URGED A PROBE OF DEMOCRATIC TARIFF POLICIES-Members of the House Ways and Means Committee, Reps. Gearhart (Calif.), Woodruff (Mich.), and Jenkins (Ohio), said they would propose a foreign trade and tariff inquiry at the first committee meeting after the new, G.O.P. dominated Congress convenes in January.

Rep. Gearhart asserted that the Administration's reciprocal trade program "has sold agriculture down the river" and has "operated to the advantage of the industrial East, and to disadvantage of the midwest, far west and southern states."

The G.O.P. move followed a declaration by the commissioners of agriculture of 13 southern states opposing any further reduction in protective tariff rates. That statement reversed the South's traditional low-tariff stand.

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From New York Journal of Commerce, Dec. 24 -

'SQUEEZE' IN SUGAR SEEN IN JANUARY-Announcement yesterday that OPA had validated spare stamp 53 for 5 pounds of sugar in the period Jan. 1-April 30, inclusive, and that the agency also contemplates validating a second 1947 consumers' stamp before April 30 was seen in industry circles here yesterday as presaging a temporary squeeze in supplies in the coming month.

This condition will arise, sugar men said, due to the fact that industrial users generally have not yet received their ration evidence for the first quarter. Industrial users, in consequence, will be seeking to validate their evidence at a time when wholesale grocer and chain store buyers will be pressing for sugar supplies to take care of increased consumer requirements.'

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From New York Herald Tribune, Dec. 24 -

COTTON INDUSTRY EXPECTS SLOWLY RISING MARKET; DRASTIC CUT IN SPECULATION IS REPORTED-New Orleans-The southern cotton industry appears to have substantially recovered from the shock of October's \$50-a-bale price break, and every one from farmer to broker expects 1947 to bring a slowly but steadily rising market.

Brokers quote some impressive figures on supply and demand to stress the comparative soundness of today's market and point to a drastic reduction in speculation since the October tumble which caused temporary closing of the major exchanges.

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From New York Times, Dec. 22 -

REPORT FROM THE NATION - The Deep South - 100,000 Club Women Unite To Combat High Prices, New Orleans - Delegates from Louisiana clubs embracing about 100,000 members have organized the United Women to Combat Inflation. Their principal weapons are research and the spoken or printed word.

The central organization was set up after scores of established women's clubs talked about and then did nothing about rising prices. Observing the futility of discussion in the individual clubs, the Parents and Teachers Council called upon fifty separate organizations to name delegates to a central organization the sole concern of which will be inflation.

At its first meeting the central group agreed that it should advocate that women:

- (1) Pay no higher price than the quality of an item is worth;
- (2) Buy none or a minimum of scarce articles;
- (3) Buy abundant articles instead of scarce ones;
- (4) Tell the sales person when the price of an article is too high.

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Midwest States - Machines Replace The Man In Great Corn Areas - Omaha - The Midwest's corn crop was a product of mechanized farming in 1946. From the lister which dropped the seed in the row to the two-row corn picker which dropped the ears into the harvest wagon, the process on most farms was mechanical.

What makes the year significant is the fact that this is the first in history in which machinery did the whole job for the average corn farmer. Nebraska University agricultural experts estimate that from 60 to 75 per cent of the State's crop was machine-picked; in Iowa the proportion was higher, perhaps 85 to 90 per cent.

The farmer who doesn't own a picker can have a commercial operator pick his crop mechanically for \$4.50 an acre. That averages about 7 to 10 cents a bushel against a cost of 12 to 14 cents a bushel paid to the hand husker. Moreover, the farmer has to give his human picker, board, room and laundry. A two-row mechanical picker can pick ten times as much corn as a fast, experienced hand.

The corn picker receives major credit -- or blame -- for increasing the size of corn arms and for increasing productivity. A farmer and his boy can handle three to five times their pre-mechanization acreage, and this has led to wide-spread leasing of near-by farms and the ouster of the non-mechanized tenants, who simply cannot compete in many instances.

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From Terre Haute (Ind.) Star, Dec. 19 -

SURPLUSES NEXT? - Editorial - Final signal of the coming struggle with crop surpluses is supplied by potatoes. This country in 1946 has harvested 478,000,000 bushels, which is estimated to be a hundred million bushels more than can be consumed. The government is supporting the price and is expected to wind up with 50,000,000 bushels on its hands.

These surplus potatoes are stowed and in the cold northern states will freeze and become worthless. Percentage of damage to stored potatoes in all states is high. The program of a floor under the price of potatoes will cost the taxpayers millions of dollars. An attempt is being made now to discourage potato growing, but so long as the government protects the price this effort is not likely to succeed.

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From Ogden, (Utah) Standard-Examiner, Dec. 16 -

FARM BUREAU POINT OF VIEW - Editorial - The American Farm Bureau federation has just completed its annual convention in San Francisco.

Delegates voted for continuance of the commodity credit corporation and for continued government price support at not less than 90 per cent of parity. They opposed consumer subsidies and called for liquidation of agencies in the Department of Agriculture whose war need has vanished. Expansion of the cooperative features of the farm credit system was advocated. Complete farm ownership and control of federal land banks will be attempted. Extension of rural electrification was advocated but with a provision cautioning against unnecessary construction of generating plants. In the taxation field, the federation said corporations and cooperatives should be exempted on that portion of its annual earning distributed to its stockholders as dividends where such dividends are taxed in the hands of stockholders.

That is a conservative program of a conservative organization, but it was in the resolutions on labor that the farmers revealed their tempers. The federation calls for a ban on the closed shop, the outlawing of jurisdictional and sympathy strikes and also secondary boycotts and hot cargo practices from which farmers have suffered.

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From Bakersfield (Calif.) Californian, Dec. 12 -

SUPPORT PROGRAM - Editorial - Potato growers and shippers of the county quite possibly noted a story in which Clinton P. Anderson, secretary of agriculture, announced the over-all cost to the government for the 1946 potato crop was \$100,000,000 of which the government will receive \$20,000,000 making the Federal support program for the growers an even \$80,000,000.

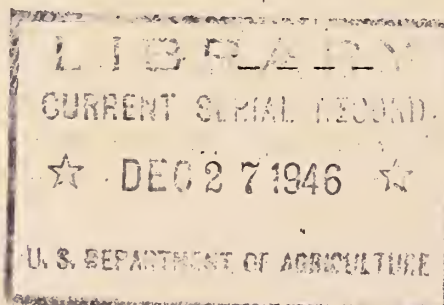
That, of course is a big sum of money but its distribution did support a great program which was developed in no small part for a war-time economy when the greatest possible food production was necessary.

Re-adjustment of the nation's agricultural programs will feel next year, it is believed, a greater influence of the law of supply and demand as the nation goes through mutations in re-adjustment back to peace-time economy. The potato men in their plantings have probably given this matter much more consideration than the casual reader.

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From Great Falls (Mont.) Tribune, Dec. 16 -

LAND PRICE LEVEL AT RISKY HIGH - Coincident with the warning by the U.S. Department of Agriculture that farm prices are now at a dangerous level, the Montana extension service also issued a warning based on a survey recently completed. Montana land, the report states, is now selling at double the 1940 sale price.



Farm Digest 2735 - 46

14 DAILY FARM NEWS DIGEST

D14 (For Dec. 26, 1946)

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Dec. 26 -

ASKS EXTRA SUGAR GO TO HOUSEWIVES: JENKINS SAYS FACTORY USERS SHOULD WAIT IN '47-Washington-The American housewife suffered more than her share of the wartime sugar shortage as compared with the industrial user of sugar, Thomas A. Jenkins, chairman of the Republican Congressional Food Study Committee, declared today in a preliminary sugar report to Representative Joseph W. Martin Jr., Republican leader of the House.

Representative Jenkins said that if there was enough sugar available any time during 1947 for ration increases beyond the 20 percent extra he has recommended for both home and industrial users, that increase "should go entirely to individual housewives."

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WOMEN'S WARFARE ON INFLATION GAINS-Glen Rock-In increasing numbers, housewives of New Jersey--and later, it is hoped, housewives of the nation--will go about their shopping wearing large white buttons inscribed in blue "AHO."

This and their "How much is it? No, thank you!" if the price is too high, will identify them as members Housewives Organized, Inc., recently formed in this borough to give housewives an instrument through which to fight inflation and shortages.

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EXPORT CONTROLS RELAXED FURTHER-Removal of fourteen items from the list of commodities subject to export license control, effective at once, was announced yesterday by L. L. Horch, regional director of the Department of Commerce. Seventeen other commodities, principally grains and feeds, also may now be freely exported to the Philippines and to all points in North and South America, he stated, although licenses are still required for shipment to other destinations.

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From the New York Journal of Commerce, Dec. 26 -

OVERTIME EXEMPTION RULES REDEFINED FOR FARM HELP-A new definition of "Area of Production," a term used to determine the application of certain exemptions from the minimum wage and overtime provisions of the Fair Labor Standards Act with respect to employees engaged in specified operations related to the processing and handling of agricultural products, was issued yesterday by L. Metcalfe Walling Administrator of the Wage and Hour and Public Contracts Division of the United States Department of Labor.

(Turn to page 2 for other items in today's N.Y. Journal of Commerce.)

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From New York Journal of Commerce, Dec. 26 -

1947 PROSPECTS--John A. Hartford, A. & P. president, sees 1947 food production slightly under 1946 totals, but adequate for domestic needs... Expects industry to broaden modernization trends, prepackaging operations, in coming year.

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WORLD FOOD OUTLOOK--Sir John Boyd Orr declares world food situation is little better than a year ago. He says controls should be tightened. The little increase in production has been offset by greater consumption.

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WILL FARM INCOME HOLD UP IN 1947?--Editorial--The prosperity of the farmer has played a very important part in the business picture this year. Farm income from marketings in 1946 is close to \$25,000,000,000 for the first time. Supplies with more purchasing power than ever before, farmers have been very aggressive buyers of the goods and services produced by other industries.

Most observers expect a decline in agricultural income next year as shortages are relieved and prices react. Crop and livestock prices in November averaged 124 percent of parity, as against 84 percent of parity in the prewar years 1935-39. Large production and reduced exports next year, as well as consumer resistance to higher food prices as durable goods again become freely available, could bring agricultural prices down close to parity. A decline to parity prices generally would mean a 20 percent drop in the income of farmers from marketings from the November rate. But any decline in agricultural prices next year is likely to be gradual.

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From Wall Street Journal, Dec. 26 -

PRICES WILL EBB SAY UNCLE SAM'S EXPERTS--WHEN, HOW MUCH?--Washington--Nineteen forty-seven will be "the year prices went down." That's the consensus, for what its worth, of the Capital's sadly confused set of economic seers. You can't find agreement on how much prices will sink, nor on exactly when. But down they will go.

At the Bureau of Agricultural Economics officials talk of a "period of adjustment" starting about mid-year.

About mid-year the BAE anticipates a leveling off of this index and the beginning of a decline.

At the Bureau of Labor Statistics, which compiles the so-called cost of living index most officials think the peak has already been reached or will be very shortly. Therefore, they are inclined to anticipate the decline a bit earlier than the BAE.

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From Albany (N.Y.) Knickerbocker News, Dec. 17 -

FARMERS FIND NO ANSWERS TO SURPLUS POTATO WORRY - Gannett News Service - San Francisco - The American Farm Bureau convention here failed to find the answer to one puzzle that has been uppermost in the minds of many farmers and leaders of farm organizations. The puzzle is like the old one of how to eat your cake and still have it. Translated to absorb and maintain high prices, hundreds of farmers listened to a discussion of what to do about potatoes. They have had a distressed crop this year. The federation reported "growers cannot ignore the fact white potatoes is one of the few fruit and vegetable commodities experiencing a decline in consumption per capita, despite the increasing rate of production."

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From Terre Haute (Ind.) Star, Dec. 18 -

NO TIME TO BUY LAND - Editorial - The Agriculture Department's Bureau of Agricultural Economics has hoisted a storm warning which American farmers cannot afford to ignore. This is no time to buy farm land, says the bureau, and it goes on to tell why not, in statistics of dire implication.

Farm land values went up another 14 per cent during the year ending last Nov. 1, and they are now only 11 per cent below the 1920 peak. In 15 states they have more than doubled since the 1935-39 period, and in 11 others they reached a point 75 per cent above what they were less than ten years ago.

What this means is, of course, as Secretary of Agriculture Anderson points out, that unless the brakes are fast applied to credit buying, farmers are in for another land crash such as struck them in 1920-21. And this time the blow may be even more severe, for more people have gone into debt to purchase farms in each of the last four years than in any other year since 1920. Farm mortgages went up an additional \$80,000,000 in the first six months of 1946, with the result that the total indebtedness of American farms now stands at \$5,000,000,00.

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From Tampa Tribune, Dec. 19 -

INVITING DISFAVOR - Editorial - A meeting of citrus growers, shippers and canners, held at Lakeland, called to discuss and find remedies for the deplorable slump in the Florida citrus market, approved two proposals-- a committee to investigate a complete revision of present grade standards, and an investigation as to the feasibility of a pro-rate system of shipments.

In definite, practical measures for relief of the situation the meeting got exactly nowhere.

The meeting refused to declare itself against a present and pressing evil -- the misuse of the color added process -- although a number of those present were outspoken in their assertions that this process operates to the severe disadvantage of Florida citrus.

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From Charleston (W. Va.) Gazette - Dec. 19 -

FARM WISDOM- Editorial - For a long period American agriculture seemed to be mainly engaged in an eager process of wearing out the soil. But the farmers know better now, and are eager and consistent in the reform. Dean John F. Cunningham of Ohio State University's agricultural college, has been telling those in his area that the recent soil conservation movement is "agriculture's outstanding accomplishment in a lifetime." He says:

"What we have learned and are practicing today will prolong our American civilization for many years. The real wealth of our nation -- food, minerals and fiber -- comes from the soil, and conservation practices are prolonging the soil's usefulness for decades, even centuries."

This should be interesting news to a rising generation most of whom have never thought of going into the farming business.

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From St. Paul Pioneer Press, Dec. 18 -

AS TO FOOD PRICES - Intense interest of farmers in continuance of agricultural price supports, as reflected by the recent national convention of the American Farm Bureau federation in San Francisco, may be a little mystifying to consumers in the light of official forecasts that a postwar drop in food prices still is three to six months off.

But the fact is that for farmers, prices already have reached and passed their postwar peaks, and the down trend in agricultural prices already is clearly begun.

The U. S. Bureau of Agricultural Economics in its November 29 report announced that the general level of farm prices fell 3.7 per cent between October 15 and November 15.

The general downtrend was the result of declines that affected a majority of farm prices. These declines were on the average so substantial as more than to offset drastic increases in the price of flaxseed and soy beans.

Consumer prices of food in that month continued to reflect the earlier steep increases in prices of farm products, partly because many of the products sold by farmers had not yet been processed into form for consumption. The lag was represented by a $4\frac{1}{2}$ per cent increase in consumer food prices in the October 15 to November 15 period -- a jump which was paced by steep upturns in prices of fats, oils and meats.

But as for farm prices the downturn affected corn, hogs, cattle, sheep, butter, chickens, turkeys, eggs, cotton, wool, citrus fruits and sweet potatoes. Later declines in consumer prices of several items including meats indicate that the turning point for them also may have been reached or at least is near. Just as extremely high prices injure the long-time interests of producers, so the system's aim of avoiding extremely low prices is designed to serve the long-time interests of consumers, as well as to protect producers of food. The common interest is served best by moderate prices.

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14 (The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gen. Harrison at 6031.)

From New York Times, Dec. 27 -

BUTTER PRICES DIP BY 9 CENTS A POUND; MILK 'PLOT' IS SEEN—New York's market lost its false bottom yesterday, dropping retail prices nine cents a pound and bringing demands for Federal and State investigations of manipulations in the wholesale market which allegedly kept butter prices unduly high and may add \$15,000,000 to the local bill for January milk.

Wholesale butter prices in the local market plummeted 10 cents a pound from what they had been on Tuesday, the last day on which they could influence the price which dairymen serving the metropolitan area will get for January milk under the Federal-State price fixing formula. Dr. Charles J. Blanford, milk marketing administrator, on Tuesday had fixed the January milk price to producers at \$5.46 a hundredweight, unchanged from November.

Shortly after retail merchants and consumers had charged a plot by dairy interests to rig prices and had demanded Government inquiries, the Dairymen's League Cooperative Association announced that it had been buying butter to "protect dairy farmers' milk prices from a threatened drop in January."

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FOOD PRICES GO HIGHER—Reversing a downward trend that has continued during the past four weeks, the Dun & Bradstreet wholesale food price index rose to \$6.32 on Dec. 24, from \$6.28 on Dec. 17. The current figure compared with \$4.15 a year ago for an increase of 52.3 percent. Rye, hams, bellies, lard, butter, coffee, cocoa, cottonseed oil and hog prices went higher, while flour, wheat, corn, oats, barley, peas, eggs, steers and lambs went down.

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HEAVY '47 DEMAND LOOMS IN KNITWEAR—Manufacturers of knitwear are looking forward to a heavy volume of business in 1947 both for underwear and outerwear, according to trade leaders yesterday. Buying activity will begin in earnest about the middle of January, they said, and is expected to continue strong until March 1.

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From Wall Street Journal, Dec. 27 -

CROP CUTTING SCHEMES CROP UP AGAIN AS BUMPER CROPS CUT PRICES—Uncle Sam faces billion dollar losses as grovers step up output despite falling prices. Reason: The Government is pledged for at least three years to pay markets at 90% of parity—a calculated price tied to farmers' living costs.

Wheat, corn, cotton, peanuts, potatoes, eggs, possibly hogs and burley tobacco are headed for Government aid in '47. Potatoes, only '46 crop to get help, cost \$80 million. Wheat alone could run \$500 million next year.

Agriculture Department officials see production limits as the only safeguard. But Anderson stalls, fearing farmers' wrath if he withholds support payments from non-compliers. He'll pass the buck to an economy-minded G.O.P. Congress.

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From The Journal of Commerce, Dec. 27 -

LIVING COST PEAK PASSED, SHARP BUTTER, EGG DROP WIDENS PRICE DECLINE-The cost of living index has passed its peak. When year end figures become available, they will definitely show a decline from the Nov. 15 peak.

This was clinched yesterday when butter and egg prices--at the wholesale level as well as at retail--dropped sharply in New York and in Chicago.

Thus another sector of the food market was added to those who lately have shown declining prices, such as meats, lard and certain canned goods.

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INDUSTRY HAILS MARGARINE RULING: SEE PENNSYLVANIA DECISION A FORERUNNER OF EASING OF CULBS-The recent decision of the Pennsylvania Court of Common Pleas of Dauphin County, Pa., declaring unconstitutional two or the state's statutes against the free sale and distribution of margarine is seen in industry circles as presaging a general examination and overhauling of State and Federal laws punitive in nature, which have handicapped the industry's growth.

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A SUPPLY DEMAND BALANCE IN FOOD-Industry reports at the year end indicate a general expectation that supplies of most foods during 1947 will be sufficient to meet domestic demands, thus bringing supply and demand into balance for the first time in several years.

Exceptions, of course, will be sugar and fats and oils, although even in these lines it is expected that the supply situation will show year progresses.

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From The Baltimore Sun, Dec. 27 -

MANY HIGH PRICES CRACK-A crosscountry survey by the Associated Press showed that many of the big department stores in major cities had slashed some clothing prices by from one third to more than 50 percent in an outbreak of post-Chrimstas and year-end sales.

The big question mark ~~was~~ whether these drops in prices were temporary or whether many of them would continue to hold or even extend their decline.

In Chicago it was learned that retailers' associations there are now looking for pronounced general reductions in food prices in February and have been urging their members to get rid of their present stocks.

Current reductions in some food items were reported in New York, Chicago, Boston, Philadelphia, Atlanta, Kansas City, Los Angeles and San Francisco.

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From New York Herald Tribune, Dec. 27 -

PAPER IMPORTS UP IN MONTH-Washington-United States imports of paper, paperboard and paper products totaled 318,773 tons during October about 14,000 tons above September, the Commerce Department reported today. Of the total, paper represented 314,680 tons, paperboard 3,847 tons, and paper products 246 tons.

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From Baltimore (Md.) Sun, Dec. 26 -

WHEN COTTON PEOPLE COME OUT AGAINST THE WORLD TRADE PROGRAM - The country might as well face it! There is big trouble ahead for the multilateral trade program. And not merely because some of the less imaginative Republicans are beginning to mumble the archaic and destructive catchwords of Payne, Aldrich, Smooth, Hawley et al. The commissioners of agriculture of a group of Southern cotton states have actually come out against the present reciprocal trade program. What explains the change of heart in the cotton South? One thing primarily: the Government's farm-price support program. Under this program, farm prices are kept at artificial highs. That means that American farmers progressively price themselves out of the world market. It means, too, that they progressively worsen their competitive position as against foreign farm products in the domestic market.

Hence they try to exclude the foreign farm products from the American market by way of tariffs. And they push the Government to subsidize their high-price ventures into world markets. But the only thing more disruptive of world trade than high tariffs is the subsidized exports which in their worst form become mere economic dumping.

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From San Francisco (Cal.) Chronicle, Dec. 21 -

A SURPLUS OF WHEAT - The consternation appearing in the faces of American economists at the prospect of a "staggering" wheat crop next year will hardly be reflected in the faces of average citizens on the streets of Vienna, Budapest, and Berlin. To these latter, there can hardly as yet be a conceivable surplus of anything edible.

Here is one case in which the United States can best fulfill its world mission by forgetting economics for the moment and concentrating upon humanitarianism. The dividends will be greater.

According to the Department of Agriculture, the combination of this year's surplus of wheat and the anticipated surpluses from the 1946 winter and spring crops will aggregate 470,000,000 bushels. This means that Americans will have all they need and foreign markets will buy all they are expected to buy, and there will still be 470,000,000 bushels to dispose of.

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From Boston (Mass.) Globe, Dec. 16, 1946 -

DANGER ON FARMS - The farmers out in the open spaces have been doing very well, as city folks must realize when they shop for food. But Secretary of Agriculture Anderson is giving warning that if the value of farm lands continues to increase there may be trouble brewing for the rest of us.

During the past 12 months, the department reports that farm land values have increased 14 percent. That brings them to within 11 percent of the inflationary peak of 1920. After that, these values came tumbling down. As some farmers had increased their holdings at the high prices and others had sold out and moved to places where they could simply sit in the sun feeling secure in their profits, the bad times that came to the agricultural regions caused disaster.

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From Montgomery (Ala.) Advertiser, Dec. 17 -

WHERE'S THAT CHEAPER FOOD? - In the early Summer, when food producers, processors, and distributors were loudly demanding the death of OPA, they confidently predicted almost to a man that if controls were only lifted prices would immediately begin adjusting themselves of their own accord at reasonable levels.

They succeeded, with the help of Congress, in smashing OPA and getting controls removed from everything except rents, sugar, and rice; but although several months have passed, a waiting public has seen no halt in the upward swing of prices, nor any indication that a downward trend is on the way.

For the most part the false prophets have kept silent of late, perhaps because they are too busy counting their gains in and then somebody stops his adding-machine long enough to call out encouragement to the shuffling line of consumers who have been patiently waiting for the promised break.

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From San Antonio (Tex.) Express, Dec. 15 -

TEXAS COTTON-PRODUCTION CAMPAIGN FOR 1947 - Among the major enterprises that East Texas Chamber of Commerce will pursue during 1947, is a campaign to restore to cotton its old status as the State's No. 1 money crop.

To meet prospective needs - particularly for cottonseed products -- Texas should grow about three times as much cotton in 1947 as it produced in 1946. Before the next harvest, the lint carryover -- long a troublesome surplus -- will be near the vanishing-point. Besides there never was a surplus of high-grade fiber such as Texas used to grow and could grow again.

The most urgent need is for the food oils and protein feed which the cotton seed from a normal crop would yield. Though Texas farmers -- like all the others -- are still short of plow tools, tractors and hired help, they might contrive to grow some 4 million bales of cotton another year. The current prospect of 40-cent cotton doubtless will prove persuasive.

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From Burlington (Vt.) Free Press, Dec. 17 -

FARM POWER IN CONGRESS - The United States News makes an interesting study of the increase of agricultural influence in Congress. The essential fact is that the farm interests may be the most influential single factor in some important legislation.

Formerly, it took a coalition of northern and southern farmer votes in Congress to control agricultural legislation. In the new Congress there will be in the House 80 Democrats from the industrial districts, and 108 from the agricultural districts. On the Republican side, the members from the industrial districts number 120, and from the agricultural districts 126. That is, in both parties members from the agricultural districts are dominant. Furthermore many districts where cities dominate in population are yet so strongly agricultural in interest that farm policies are not likely to be opposed.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service Room 414A. Phone Gene Harrison at 6031.)

From The New York Times, December 30 -

TO OUTLAW MILK PRICE RIGGING SOUGHT -

LEGISLATIVE ACTION/- A full scale investigation by the State Legislature into the manipulation of butter and milk prices was demanded yesterday by Assemblyman Philip J. Schupler, Brooklyn Democrat, despite the fact that Governor Dewey had ordered a similar inquiry by appointive State officials.

In announcing that he would offer a resolution in the new Legislature for such an investigation, Assemblyman Schupler described Henry H. Rathbun, president of the Dairymen's League Cooperative Association, as "a friend of Governor Dewey." Mr. Rathbun, Oneida County Republican leader and a former member of the executive committee of the Republican State Committee, had admitted last week that the Dairymen's League had been buying butter in the wholesale market here to keep up prices and thereby prevent a decline in the January milk price to producers.

The purposes of the legislative investigation, as proposed by Mr. Schupler, would be to determine how widespread was the rigging of dairy prices and to open the way for legislation to outlaw any such activity.

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1946 PRICE RISE HELD MOST IN GENERATION; RETAIL FOOD PRICES ROSE 34 PERCENT - The Bureau of Labor Statistics came out today with a study showing that price advances during 1946 were greater than in any year since World War I. Primary market prices jumped about 31 per cent and retail prices of family living essentials mounted 18 per cent in the twelve months from Dec. 1945 to Dec. 1946.

Agricultural commodities led the 1946 increases according to the Labor Department Agency. Retail food prices rose 34 per cent and primary market prices of farm products and foods rose 29 and 50 per cent, respectively.

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GERMAN FOOD CRISIS IS GROWING WORSE-Berlin - A gloomy picture of the German food situation painted in the bi-monthly food and agriculture review of the United States Military Government for September and October, was made public today. Far from improving, the situation has grown worse since the period covered by the report.

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GROUPS ASK AID IN TARIFF ACTION - The National Foreign Trade Council has urged the United States to insist upon the establishment of conditions in other countries essential to the expansion of international trade on a multi-lateral and non-discriminatory basis.

In a brief submitted to the committee for reciprocity information prior to actual negotiations for reciprocal trade agreements with eighteen nations, the council said:

"If other countries are to be permitted to share in the American market they should be required to agree to and effectuate principles and policies which will result in the creation and maintenance of a multilateral, non-discriminatory most-favored-nation world trading system."

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From the New York Wall Street Journal, December 30 -

U.S. CHAMBER WARNS OF EFFECTS OF RAISING AGRICULTURAL IMPORTS-Washington - The United States Chamber of Commerce has sounded a warning to American farmers to "carefully appraise" the economic results of buying more agricultural products from abroad.

At no time in the last 100 years, according to the Chamber, have conditions been so favorable for boosting imports, particularly in competitive agricultural products. The need for larger imports to offset a booming export trade and the high level of U. S. commodity prices favor a liberal import policy during the coming year, the Chamber noted.

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From the New York Journal of Commerce, December 30 -

HIGHER EXPORT QUOTA SET FOR COTTON GOODS-Washington - The Office of International Trade has established tentatively an export ceiling for broad woven cotton goods in the first 1947 quarter which is 30 per cent above the quantity actually licensed for export in the final 1946 quarter. The tentative first quarter quota totals 230,000,000 yards.

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SUGAR IMPORTS FAR BEHIND 1945; THIS YEAR'S RECEIPTS WILL BE 600,000 TONS LESS - Sugar imports in 1946 will fall short of a year ago by 600,000 long tons, available figures indicate.

For the week ended Dec. 21 imports were 64,000 tons, bringing cumulative entries since Jan. 1 to 3,354,000 tons against 3,989,623 tons a year ago.

Meltings following the import trend similarly are lower for the cumulative period, amounting to 3,392,000 tons, against 4,057,000 a year ago.

Refiners stock on Dec. 21 was 108,000 tons, against 135,000 a year ago and 146,000 on Jan. 1. Of this quantity Eastern refiners held 59,000 tons, less than a week's supply. At New York there were 19,000 tons, Boston, 8,000; Philadelphia and Baltimore, 8,700.

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FOODS IN '47 - Paul Willis, president of Grocery Manufacturers of America, Inc., in year-end statement predicts that, with the exception of sugar, fats and soap, supplies of foods and grocery products will balance well with demand in 1947 -- unless labor strife hampers production. Given labor peace and full production, prices should decline gradually to reasonable levels, he says.

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ABUNDANT MEAT - Healthy expansion in the meat and livestock industries and a greater supply of meat than for the past 36 years is predicted for America in 1947 by John F. Krey, chairman of the board of the American Meat Institute.

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ANOTHER INQUIRY - Attorney-General Clark orders Justice Department investigation of any possible violation of anti-trust laws in the New York butter price break.

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From The Journal of Commerce, Dec. 27 -

GRAIN EXPORT PLAN RAISES CAR PROBLEM - Washington - Railroad officials today predicted simplification of the export grain program through President Truman's latest action in creating an interagency committee to speed up 1947 movements abroad. Nevertheless, some experts were at loss to know where additional freight car space would come from to fulfill higher quotas.

With three important federal priorities already imposed on railroads to expedite loadings of export grain, officials envisioned substantial diversion of freight cars from other industries to foreign shipments.

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From Philadelphia (Pa.) Bulletin, Dec. 24 -

YES, WE HAVE ORANGES - Editorial - Oranges and grapefruit may soon join potatoes in the surplus lines. A record citrus crop in the South is looked upon by growers as a threat; but to Northern consumers, smarting under high prices, it is a promise. The story of a plentiful crop is the same, from Florida to Texas.

High prices are themselves the cure for high prices. Stimulated by the returns of the last few seasons, Southern growers, favored by good weather, set themselves to market all the produce they could. The crop has brought a decided price drop in Southern marketing areas, which already has been reflected up North.

The boom-and-bust cycle is nowhere more destructive than in agriculture. For some farmers consumption rather than production is becoming the main problem, and if the past is any indication of the future, this means farmers will demand Government aid against surpluses.

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From Phoenix (Ariz.) Arizona Republic, Dec. 20 -

LOWER PRICES PREDICTED - Editorial - American farmers must look forward to lower prices and shrinking foreign markets, Norris E. Dodd, under-secretary of agriculture, informed those in attendance at the American Farm Bureau Federation convention in San Francisco. This future will be hastened, Mr. Dodd said, by the "tremendous fear" European peoples have of another war, by our price support policy and by the very fact that as a nation becomes more industrialized the historical tendency is for its agricultural exports to drop.

Some readjustments are bound to come in agriculture as in all business and industry. For the good of all it should be hoped future prices do not drop to unreasonably low levels. But if the present social unrest is quieted, the cost of living must be brought nearer the means of the low income groups.

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From Jackson (Miss.) Clarion-Ledger, Dec. 19 -

PILE ON THE FERTILIZER AND BRING THE CROP UP - Editorial - First signal of the coming struggle with crop surpluses is supplied by potatoes. This country in 1946 has harvested 478,000,000 bushels, which is estimated to be a hundred million bushels more than can be consumed. The government is supporting the price and is expected to wind up with 50,000,000 bushels on its hands.

These surplus potatoes are stored and in the cold northern states will freeze and become worthless. Percentage of damage to stored potatoes in all states is high. The program of a floor under the price of potatoes will cost the taxpayers millions of dollars.

The government has been attempting to control the potato crop by limiting acreage. But growers merely pile on the fertilizer, put into effect their best soil practices and produce bumper crops. An attempt is being made now to discourage potato growing, but so long as the government protects the price this effort is not likely to succeed.

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From Portland (Oreg.) Oregon Journal, Dec. 18 -

W.S.C. SCIENTISTS TO HELP SOLVE WHEAT PROBLEM - Northwest wheat growers and handlers are scheduled to get some help from science in finding new uses for soft wheats. In announcing an expanded project to start at Washington State college before the next harvest, J. L. St. John, head of the W.S.C. experiment station's division of chemistry, explains that this is a new type of research. Most of the scientific wheat study to date has concerned production rather than quality problems.

It is pointed out that science has gone a long way in developing higher yielding wheat strains, disease resistance and other production advantages but has not concentrated as much attention to the physical and chemical properties of wheat and flour that are important for chemurgic uses, baking and other uses.

Besides seeking new uses for soft wheats, this study will attempt to find which varieties of soft wheat are superior for bread and pastry making, starch making, and other purposes, and furnish better "guide posts" for plant breeders and agronomists to use in their unceasing efforts to develop ever-better wheat varieties.

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From Butte (Mont.) Montana Standard, Dec. 19 -

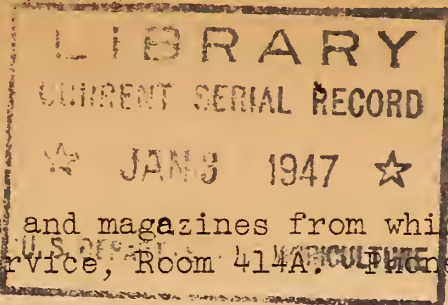
THE FARM PROBLEM IS WITH US AGAIN - Editorial - When such veteran farm legislators as Senator Copper (R-Kan.), begin worrying about the farm problem this early in the game, it's a pretty sure sign there is going to be a farm problem. Of course, a session of Congress without a farm problem would be something unusual. There's always been a farm problem, at least there always has been one since the last war.

By continuing to produce war-needed crops without regard for their demand, the farmers of the nation could cause this program to cost the government a tremendous sum of money. An over-production of potatoes, one of the war crops which has a guaranteed price, has already cost the Department of Agriculture nearly 100 million dollars.

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DAILY FARM NEWS DIGEST
(For December 31, 1946)



U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From the Wall Street Journal, December 31 -

THE CURTAIN FALLS on 1946 with a price shakedown already well under way. Farm staples have set the pace. A quick backward glance traces the trend. Wheat that brought \$2.20 a bushel earlier this year now sells for \$2. Corn has toppled 25% from its 1946 high. So have oats. Cotton that flirted with 40 cents a pound winds up 1946 around the 32-cent level. Hides that hit 35 cents a pound are down to 25 cents. Lard is only half as costly as it was once this fall.

Benefits reach the consumer. Food prices have skidded nearly 10% in little more than two months. Women's clothing, especially woolen wear, is cheaper. Men's white shirts that recently brought \$5 now sell for \$3.50.

The 1947 outlook is unmistakably one of still lower prices, maybe a sharp break. The prospect of super-big grain crops (weather permitting, of course) already stirs "surplus" fears. The per-capita meat supply should be the highest ever. A mammoth pack of canned food is indicated. The last trace of textile scarcity will vanish under an avalanche of cotton and woolen goods. Some businesses will be hurt in the price dip.

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A BUTTER BRAWL churns the Agriculture Department. Recent market support moves were known to the Department's dairy branch. But this bureau, which has charge of milk market agreements and is the self-appointed guardian of dairy farmers, saw no harm in a little support as long as it meant better returns to milk producers. However, Secretary Anderson felt differently--ordered an immediate investigation when he heard what was going on. Should his probe turn up violations of the Commodities Exchange Act, the government's dairy program and the branch running it may get an overhauling.

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WORLD COTTON CROPS next season should top this season's 22 million bales. Several factors should push the total up toward the present consumption rate of 27 million bales. Among them: High prices and easing of acreage restrictions in Egypt, India and Peru.

World trade in cotton, meanwhile, is expected to slip below the nine million bales moved in the current crop year. Heavy stocks in most importing countries will allow them to wait for lower prices. England, France, China, Switzerland and Sweden have almost a year's stock of the staple on hand. Italy, Japan and many smaller nations have enough for three to six months. Supplies are low in Germany, Poland, Spain, Belgium, The Netherlands and Canada; imports by these countries may be boosted.

The outlook for a large U.S. cotton crop in 1947 is improving, despite a reported lack of nitrogen fertilizer. The "cotton belt" labor supply is good.

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HOGS AND COCONUTS should give Americans more edible fats and oils in 1947. Fatter hogs, more copra.

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From the Wall Street Journal, December 31 -

ICE CREAM MAKERS offer an increasingly bigger market for the nation's dairymen. Production of this frozen favorite is rolling along 80% above the average of the past five years.

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MECHANICAL COTTON PICKERS are clamored for by big planters. International Harvester Co. says it could sell five to ten times as many machines as it's now making. The company's output this year was 100 to 125 machines, and won't be much larger in 1947. A new Memphis factory should bring a big increase in 1948. Sharpest demand for the pickers is from large level areas with big plantations.

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From the Journal of Commerce, December 31 -

END OF SHORTAGE IN SIGHT, LUMBER INDUSTRY SETS PREWAR GRADE STANDARDS AS '47 GOAL - The Lumber Industry is looking towards 1947 to sign "finish" to the "lumber shortage." From here on, spokesmen declare, builders can expect sufficient supplies of lumber to satisfy their needs.

As the emphasis on production slackens, the pressing problems of distribution will receive more attention. A return to prewar trade standards of grading and quality production is another goal which the industry has set for fulfillment during the new year.

Indicative of the optimism with which the industry is greeting the new year is the following: "The lumber shortage is over." -- The National Lumber Manufacturers Association.

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MANY EXCHANGES TO END SESSION AT NOON TODAY - The Chicago Board of Trade will observe Saturday closing today and suspend dealings in the grain pit at noon, central time. Other principal grain exchanges will do likewise.

New York and New Orleans Cotton exchanges will ring the final gong at noon, Eastern Standard Time. Other New York markets, following suit include wool, coffee, cocoa, produce, hides and cottonseed oil.

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U.S. OWNED WOOL GOING UP 1¢ to 3¢ A LB. TODAY, Washington, Dec. 30 (AP) - The Agriculture Department announced tonight that the selling prices of Government-owned wools would be increased from 1¢ to 3¢ a pound, clean basis, tomorrow.

These increases, which vary by grades, were made necessary because the parity price for wool increased in December. Under the law, the department is prohibited from selling farm products at prices which reflect less than parity. The price increases apply to wool which the Government acquired under wartime price support programs.

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U.S. ASSURES BOLIVIA ON FOOD REQUIREMENTS, Washington, (AP) - The United States has assured Bolivia -- in response to an inquiry -- that it will try to provide Bolivia's food requirements if normal imports from Argentina are cut off, a State Department official said today.

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From Denver (Colo.) Post, Dec. 21 -

WHAT DO THE FARMERS WANT OF CONGRESS - The American farmer undoubtedly will demand a top priority in legislation by the new eightieth congress. The main farmers' groups -- National Grange, National Farmers' Union and American Farm Bureau Federation -- already have voted for demands they believe should win first consideration. The Congressional Quarterly polls them as wanting most of the following: Revision of the parity formula, National fertilizer program, Consolidation of farm credit agencies, Long-term price support, Extension of rural electrification, Industrialization of underdeveloped areas, and Revision of labor laws, especially in effort to check strikes.

Some elements add still further wants. The Farmers' Union, for example, favors a permanent food allotment program, modeled somewhat on the food stamp plan of the '30s to reduce surpluses and provide relief in cities. It also urges the Missouri Valley authority, federal aid to education, a national health law, and the Wagner-Elender-Taft housing bill.

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From Des Moines Register, Dec. 22 -

PLANS FAIL TO FOLLOW GOALS IN IOWA, THAT'S INDICATION NOW - Postwar farm production plans are failing to follow the pattern set in the United States Department of Agriculture goals, on the basis of early indications. The goal of spring pigs in Iowa in 1947 is an increase of 18 per cent. Farmers have indicated they intend to increase sows kept for spring farrow only 9 per cent.

This is on the basis of December intentions and the situation may change, or favorable weather may cause the pig crop to be larger than is now indicated -- or it could shrink from the present outlook.

In the case of chickens, poultrymen generally have indicated dissatisfaction with the present goal of 6 per cent less in 1947 than were raised in 1946. And they were even more dissatisfied with the original proposal for a reduction of 3 per cent.

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From Charleston Gazette, Dec. 23 -

ENRAGED HOUSEWIVES - Editorial - Secretary of Agriculture Anderson will never be able to convince the American housewife that there is not something radically wrong about the sugar rationing system. And the women are up in arms about it.

In many stores over the country there is plenty of sugar on the shelves. It is there in plain sight, but you can't buy it without stamps. Practically all of the current stamps are used up and next stamp will not be validated until January 1.

That is enough to enrage every woman, and most men. It has caused people to lose faith in the rationing authorities to the extent that they are not likely to believe any future statements Washington makes regarding available supplies of sugar. And the suspicion grows that there is unfair and unequal distribution and that great quantities of this commodity are being shipped abroad without due regard to the actual needs of other countries. It is suspected that the black market grabs a lot of it.

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From Greenville (S.C.) News, Dec. 23 -

MARGARINE SCORES - Editorial - A significant shot may have been fired in the margarine "war" against discriminatory legislation last week when the Dauphin County, Pennsylvania, Court declared unconstitutional license fees imposed by the state on dealers in margarine.

Pennsylvania's "Oleomargarine Act" imposes a fee of \$500 on wholesalers and \$100 on retailers handling margarine. The Court says the fees are "unreasonable, confiscatory and discriminatory and constitute an illegal restraint of trade."

The presiding judge consequently issued an injunction restraining the State Secretary of Agriculture from collecting the fees.

In this case the constitutionality of the act was challenged by grocers who contended that the state was arbitrarily interfering with private business by imposing a prohibitive license fee "under the guise of protecting the public interest."

The same arguments can be directed at the federal government's tax of 10 cents a pound on colored margarine and its license fees for manufacturers and distributors. The margarine industry has these to contend with in all the states as well as special state excise taxes or license fees in 25 of the 48 states.

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From Charlotte (N.C.) Observer, Dec. 22 -

FAIR DIVISION NEEDED - Editorial - Whether Americans will have more or less soap next year than they have had in 1946 depends on an agreement between the Department of State and the Department of Agriculture, which have different viewpoints on the subject.

The Department of Agriculture contends that the increase of population to an estimated 143 million makes it necessary for the United States to have a larger share of imports of fats and oils than it has had in the past.

This country has not in recent years produced enough of these commodities to meet its own needs and has imported large quantities of coconut oils from the Philippines, Malaya, and the Dutch East Indies.

Because of a world shortage of fats and oils, the International Emergency Food Council is trying to ration the entire supply among all nations according to their needs. But the Department of Agriculture says that the IEFC has not taken into account that the United States is manufacturing large quantities of soap for other nations, and, instead of taking these quantities out of the foreign accounts, it is subtracting them from the American domestic needs.

The State Department wants no change in present allocations, because it believes shipments of fats and oils and their products to other countries will help our foreign policy.

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From Milwaukee Journal, Dec. 20 -

TELLS OF VETERANS' HUNT FOR SUITABLE FARMS - Many war veterans seeking to buy farms with the aid of federal loans are finding it difficult to obtain suitable ones, Thomas C. Schmidt, regional director of the farmers home administration at Milwaukee, announced Friday. Out of 7,500 veterans who have sought loans in Wisconsin, Minnesota and Michigan, 4,000 have obtained a total of \$8,300,000. His office is discouraging veterans from buying farms at inflated prices, Schmidt announced.

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